

**REVIEW OF INTERNATIONAL FINANCING ARRANGEMENTS FOR
DISARMAMENT, DEMOBILIZATION AND REINTEGRATION**

**Phase 2 Report to Working Group 2 of the
Stockholm Initiative on Disarmament, Demobilization and Reintegration (SIDDR)**

Prepared by:

Nicole Ball
Center for International Policy, Washington, DC

and

Dylan Hendrickson
Conflict, Security and Development Group
King's College London

September 26, 2005

Table of Contents

Acronyms	iii
Executive Summary	vi
I. Introduction	1
II. Summary of Phase 1 Findings and Issues for Further Examination	2
II.1 DDR and Peace Processes	3
II.2 National Leadership and Responsibility	3
II.3 The Right Kind of Money, in the Right Amounts, On Time	4
II.4 Upstream and Downstream Linkages	5
II.5 Promoting Coordination among International Actors	6
II.6 Matching Resource Needs with Available Funding Sources and Instruments	6
III. Case Study Analysis: DRC and Liberia	7
III.1 Political and Economic Context	7
III.1.a Need for an effective political forum	10
III.1.b DDR and security sector restructuring and reform	11
III.2 Factors Shaping and Constraining Donor Engagement	11
III.3 Strategic Frameworks	13
III.3.a Existence of strategic frameworks	13
III.3.b Implementation of the strategic framework	15
III.3.c Involvement of national stakeholders	17
III.3.d Linkage with the DDR budget	20
III.3.e Linkage with a broader security framework	21
III.4 Funding DDR	22
III.4.a Funding sources and instruments	23
III.4.b Sequencing	26
III.4.c Fiduciary controls	27
III.5 Impact of Funding Modalities on DDR Outcomes	30
III.5.a Support national program	30
III.5.b Promote timely delivery of resources	32
III.5.c Promotion of national leadership and responsibility	34
IV. Assessment of Findings	37
IV.1 Anchoring DDR in Wider Security Transformation Processes	38

IV.2 Harmonization and Alignment of External Assistance for DDR	40
IV.3 Funding DDR	43
IV.3.a Integrated DDR financing	43
IV.3.b Politics, national leadership/responsibility, and financing DDR	49
IV.3.c Balancing national leadership/responsibility and timely and effective implementation	50
IV.3.d Learning to work together	52
V. Recommendations	55
V.1 DDR Financing in a Broader Context	55
V.2 Peace Negotiations	56
V.3 Early Program Support	56
V.4 Structuring DDR Financing	57
V.5 Improving Programming	58
V.6 Personnel and Technical Assistance	58
<i>Annexes</i>	
Annex 1 Terms of Reference: SIDDR Working Group 2 – Phase 2 Financing Study	59
Annex 2 Individuals Interviewed	63
Annex 3 Relevant Sections of UN Mandates for UNMIL and MONUC	67
Annex 4 <i>Tronc commun</i>	69
Annex 5 UNDP DDRR Trust Fund for Liberia: Pledges and Amounts Received as of 30 June 2005	70
Annex 6 DPKO Working Definitions of DDR Components	71
<i>Boxes</i>	
Box 3.1 Overview of the DDR Process in Liberia	8
Box 3.2 Overview of the DDR Process in DRC	9
Box 3.3 Promoting Security through DDR	12
Box 3.4 MDRP Requirements for National DDR Plan	14
Box 3.5 Eligibility Criteria for Liberian DDRR Program	17
Box 3.6 CONADER Responsibilities	18
Box 3.7 Funding Instruments	23
Box 3.8 UNDP Rapid Response Mechanism, DRC	27
Box 3.9 National Ownership: “A sword that cuts both ways”	35
Box 3.10 Rapid Implementation of DDR	37
Box 4.1 Components of an Integrated DDR Financing System	44
<i>Tables</i>	
Table 3.1 Funding Sources: DRC and Liberia	24

Acronyms

ACABQ	UN Advisory Committee on Administrative and Budgetary Questions
ACPP	UK Africa Conflict Prevention Pool
AFL	Armed Forces of Liberia
BCPR	UNDP Bureau of Crisis Prevention and Recovery
BUNADER	<i>Bureau National de Coordination de la Démobilisation et de la Réinsertion des Groupes Vulnérables</i> [National Office for the Coordination of Disarmament, Demobilization and Reintegration of Vulnerable Groups]
CCOC	<i>Centre de Coordination d'Operations Conjointes</i> [Commission for the Coordination of Joint Operations]
CGFDR	<i>Comité de Gestion des Fonds de DDR</i> [Committee for the Management of Funds for Demobilisation and Reintegration]
CIDDR	<i>Comité Interministériel chargé de la conception et de l'orientation en matière de DDR</i> [Inter-Ministerial Committee for Disarmament, Demobilisation and Reintegration]
CO	Centre d'orientation [DDR Orientation Center]
CONADER	<i>Commission Nationale de Désarmement, Démobilisation et Réinsertion</i> [National Commission for Disarmament, Demobilization and Reintegration]
CPA	Comprehensive Peace Agreement
CPTC	<i>Comité Technique de Planification et Coordination de DDR</i> [Technical Committee for DDR Planning and Coordination]
DCR	Ituri Disarmament and Community Reinsertion Programme
DDR	Disarmament, demobilization and reintegration
DDRR	Disarmament, demobilization, rehabilitation and reintegration
DEX	Direct Execution
DFID	Department for International Development (UK)
DRC	Democratic Republic of Congo
DSRSG	Deputy Special Representative of the Secretary General
EC	European Community
ECOWAS	Economic Commission for West Africa
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IDDRS	UN Integrated Disarmament, Development, and Reintegration Standards

JOC	Joint Operations Center
JOP	Joint Operations Plan
JIU	Joint Implementation Unit
LICUS	Low Income Countries Under Stress
LURD	Liberians United for Reconciliation and Democracy
MODEL	Movement for Democracy in Liberia
MDRP	Multi-Country Demobilization and Reintegration Program
MDTF	Multi-Donor Trust Fund
MONUC	United Nations Mission in DRC
MOU	Memorandum of Understanding
NCDDR	Committee on Disarmament, Demobilization and Reintegration (Sierra Leone)
NCDDRR	National Commission for Disarmament, Demobilization, Rehabilitation and Reintegration (Liberia)
NGO	Non Governmental Organisation
NTGL	National Transitional Government of Liberia
OCHA	Office for the Coordination of Humanitarian Affairs
ODA	Official Development Assistance
PAC	Project Approval Committee
PN-DDR	Programme National de Désarmement, Démobilisation et Réinsertion (DRC)
RRM	Rapid Response Mechanism
RUF	Revolutionary United Front (Sierra Leone)
SCF-UK	Save the Children Fund-UK
SDR	Special Drawing Rights
SIDDR	Stockholm Initiative on Disarmament, Demobilisation and Reintegration
SMI	<i>Structure Militaire d'Integration</i> (DRC) [Military Integration Unit]
SRSG	Special Representative of the Secretary General
SSR	Security Sector Reform
TA	Technical assistance
TF	Trust Fund
TG	Transitional Government (DRC)
TSA	Transitional Safety Net Allowance
UN	United Nations

UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UNMIL	United Nations Mission in Liberia
UNSC	United Nations Security Council
USAID	United States Agency for International Development
WFP	World Food Programme
WHO	World Health Organization

EXECUTIVE SUMMARY

This review of the experience of international actors in financing disarmament, demobilization and reintegration (DDR) processes was launched by the Swedish Ministry of Foreign Affairs at the end of 2004, as part of the Stockholm Initiative on Disarmament, Demobilisation and Reintegration (SIDDR). The study was conducted in two stages: the purpose of Phase 1 was to collect background information and map issues for closer examination in Phase 2, which involved field visits to the Democratic Republic of Congo (DRC) and Liberia. This report contains the Phase 2 findings; a separate report was prepared for Phase 1.

Study objectives

The conclusions of Phase 1 confirmed the expectation that there are large gaps in the available information and differences in how donors classify data, making comparisons between different DDR processes or analysis of how resources are disbursed difficult. The key objective of the fieldwork was therefore to gain an understanding of how donors have gone about financing the DDR processes in the DRC and Liberia, including the specific challenges faced in terms of harmonizing the contributions of different countries/agencies and aligning these contributions with national needs, priorities and circumstances.

The field research centered around five questions:

- What is the political and security context within which the DDR process was developed and is being implemented?
- What are the factors shaping and constraining donor engagement in the DDR processes?
- To what degree are the DDR processes guided by strategic frameworks and how have these frameworks been developed?
- What funding modalities have been used to support the DDR processes?
- How have the funding modalities employed affected the implementation of the DDR processes?

Assessment of findings

The findings of this review provide a sobering assessment of the capacity of the international community as a whole to finance DDR processes in the context of contested peace processes. Virtually all of the problems identified have been evident for the past decade or more, and many of them are not unique to DDR in contested peace processes but are seen in other environments as well. That said, the case studies demonstrate that some important progress has been made within the international community in addressing the problems identified. Ongoing discussions indicate willingness to undertake further reforms.

Main Findings

The main findings of the phase 2 work centre on three key issues that have implications for the financing of DDR processes: 1) anchoring DDR in wider security transformation processes; 2) harmonization and alignment of external assistance; and 3) funding DDR

Anchoring DDR in a Wider Security Transformation Process

For DDR to succeed, linkages between security, development and diplomacy must be made effectively. DDR is one of the steps that should be taken to minimize the chances of a relapse into violence, but it is only one component of the wider restructuring of the security sector required to build sustainable security. It may not be the first or top priority. Where DDR needs to be proceeded or accompanied by some form of integration or restructuring of security forces, donors need to be prepared to be flexible in terms of where and how they target their financial support, recognizing that other activities may need to be funded before DDR can expect to achieved its intended objectives.

Harmonization and Alignment of External Assistance for DDR

The use of multi-donor trust funds (MDTFs) for DDR has opened the way to greater harmonization between the diverse, often dissimilar and overlapping, funding instruments that donors utilize. MDTFs have also served strategic objectives: helping to raise money, ensuring more equitable and efficient resource use, and reducing transaction costs. Most importantly, MDTFs have also served to build consensus among participants around a set of broad objectives and operating principles.

MDTFs do not *ensure* that donor assistance is aligned with government needs and priorities unless they are effectively anchored within a strategic operational framework. Whether effective alignment is achieved in practice depends on the degree to which a government has a stake both in the development and implementation of strategic frameworks for DDR. This in turn is a function of both the capacity and inclination of governments to participate and whether this opportunity is afforded them by the international community which often takes the lead in implementing DDR programs.

Funding DDR

The governments and multilateral organizations that provide the resources for DDR are concerned about identifying the most effective and accountable means of delivering the right kind of money, in the right amounts, on time. It is particularly important for financing to be available as early in a peace process as possible.

Donors and implementers also expressed a strong desire for a centralized and streamlined financing system that can support a DDR process that is developed and implemented as soon as possible after the peace process begins. The two most frequently used centralized mechanisms are the UN assessed budget (delivered through UN peacekeeping missions) and multi-donor trust funds. Both have advantages and disadvantages. On balance, the problems associated with UN assessed funding delivered, as at present, solely through peacekeeping mission budgets appear to be more significant than those associated with an MDTF, particularly

one with pre-committed financing. However, the adoption of integrated DDR system that opens the way for funds allocated through the assessed budget to be managed by the appropriate body within the UN family would alleviate some of the more serious problems associated with recent uses of UN assessed funding for DDR.

DDR financing cannot be divorced from the political context of the peace process. DDR is not a matter of finding the “correct” program, matching it with the “correct” funding modalities and, implementing it as expeditiously as possible. DDR processes will not be implemented rapidly and are subject to reversal. While it may be possible to speed the process when the international community takes over major responsibility for making key decisions, buy-in from critical local stakeholders will be greater if more time is invested in enabling local participation. Achieving this buy-in often requires developing political will among the parties and supplementing national capacities to assume leadership of and responsibility for DDR programs.

Political will is best fostered by robust political and security mechanisms. To supplement national capacity to develop an approach to DDR and implement the DDR program, the international community should think in terms of providing: a) early technical assistance during peace negotiations for both the parties and the mediators and in support of the development of a national DDR program and b) support in four core management areas as early in the process as feasible: 1) financial management and procurement; 2) logistics; 3) payment of TSA; and 4) operations management. Providing this type of assistance and support enables the national stakeholders to play a central role in developing and implementing the DDR program and promotes the most timely and effective (in terms of financial input and political outcome) process feasible under prevailing conditions.

Finally, issues of institutional and personal turf continue to affect external support for DDR processes. The question of which body is best suited to manage DDR resources has not been systematically explored as best as is known. However, recent experience strongly suggests that when it comes to DDR processes in countries with contested transitions to peace, neither the Bank, nor DPKO, nor UNDP is fully equipped to take the lead in the highly complex and fluid political environment that characterizes contested peace processes. Accordingly, a high level joint committee may be required to manage the process.

Recommendations

Based on the analysis presented in this paper and conversations with members of SIDDR Working Group 2 on Financing, the following recommendations emerge from this study:

DDR Financing in a Broader Context

Necessary pre-conditions. Donor decisions on whether to support a DDR process, what kind of support to provide, and how to provide it should be based on a thorough assessment of the political and security context. It is essential to make a careful assessment of whether the pre-conditions for sustainable peace are present and what is necessary to nurture nascent political will to end an armed conflict. While DDR can

serve as a mechanism for confidence-building and help strengthen the conditions for peace, it cannot substitute for political dialogue between warring parties.

Ensuring funding of all security issues. Donors should seek to target financial and technical support at those priority elements of transition processes which, if not funded, increase the risk that a peace process may collapse. Donors should ensure that in agreeing to commit resources to DDR as early as possible in a peace process so that initial work can begin on preparing for DDR (including during peace negotiations), they should not ignore the need for planning and financing of broader security transformation.

Forum for establishing a security transformation process/strategy. As political transitions move to the peace implementation stage, there is a need for an appropriate forum where both the political and technical issues related to wider security sector restructuring and reform can be formally discussed and addressed by the relevant international and national actors.

Harnessing all instruments in contested peace processes. Key members of the international community that support DDR processes should explore how best to ensure that the political and security arms of the international community support the financing of DDR processes in countries with contested peace processes. This would involve, for example, agreeing on the need for high-level security commissions that would support DDR implementation, agreement on the use of bilateral or multilateral security forces as necessary, and the organizational focal points for different aspects of DDR (UN mission, multi-donor trust fund, children associated with fighting forces lead agency and so on).

Peace Negotiations

Support to peace negotiations. Donors should seek to ensure that there is adequate space and technical support for parties engaged in peace negotiations to enable them to discuss the mechanisms for effecting security transformation. While it will not always be possible to develop detailed plans during peace negotiations, there should be agreement on the mechanisms by which dialogue and planning will continue following the signing of peace settlements.

Early Program Support

Early funding and technical assistance. The international community should identify the most effective mechanisms for rapid deployment of financial and technical support at the outset of every peace process. This will help to begin to develop: 1) a concept of how DDR fits into a broad strategy for strengthening security and 2) a strategic framework for DDR. To provide a basis for increasing national leadership of and responsibility for DDR processes at the implementation stage, national actors should be supported to take the lead in discussions about how to develop this strategy and framework. Mediators should be conversant with the strategic issues and implications of trade-offs related to DDR processes. Where necessary, technical assistance should also be provided to the mediators. Early funding and technical assistance should also be made available for program development.

Structuring DDR Financing

Centralized, integrated DDR financing. The international community should place a high priority on agreeing methods of centralizing DDR financing through multilateral funding mechanisms linked to a national plan, ideally implemented through national institutions. Such a financing system is likely to draw on three types of financial resources: 1) flexible, early money; 2) up-front money (assessed contributions and pre-committed multi-donor trust funds); and 3) voluntary money/co-financing. The success of such an integrated funding system relies heavily on the close collaboration among different focal points, bearing in mind that these focal points may be different in different DDR processes.

Multi-donor trust funds. The international community should give serious consideration to channeling the bulk of DDR financing through a multi-donor trust fund with pre-committed financing. The multi-donor trust fund should finance all necessary elements of the DDR process. Funding security-related costs has been problematic because of, *inter alia*, DAC rules. At the same time, experience on the ground suggests that flexible approaches can be found to solve these problems.

Assessed contributions. The UN should make every effort to support integrated DDR sections within integrated mission planning to provide all agencies in the field with the space to contribute their resources, capacities and expertise toward a national DDR program. In order to use assessed funds allocated for DDR as effectively and efficiently as possible, these resources should be managed by the most appropriate body within the UN family, including the World Bank group, depending on the use to which the funds are to be put and with a view to reducing transaction costs.

World Bank flexibility. The World Bank should seriously explore how to apply Post-Conflict Fund/LICUS Trust Fund regulations to early program activities, such as those currently financed through the Special Projects window of the Multi-Country Demobilization and Reintegration Program for the Greater Great Lakes Region (MDRP). The Bank could also streamline procedures for concluding MOUs with other organizations. All MOUs negotiated for the MDRP should be applicable to all future DDR processes, subject to periodic review.

Managing multi-donor trust funds. Decisions on institutional management of such multi-donor trust funds should be made on a case-by-case basis depending upon institutional competence, comparative advantage, and mandate, as well as capacity to manage resources in an accountable manner and to mobilize funds.

Improving Programming

Getting the timing right. Recognizing that countries making the war-to-peace transition have urgent security needs that must be addressed if socio-economic and political recovery efforts are to achieve their objectives, the international community should not jeopardize the success of key security-related activities such as DDR by moving too quickly. For example, it is important that donors have patience and not press for disbursement before either the political and security conditions are supportive of DDR or the technical preparations have been completed. Additionally, before starting a DDR

process, the parties should be provided sufficient time to develop the necessary trust to proceed with DDR and to reveal their true force numbers to enable the most effective and efficient use of DDR resources.

Spontaneous “demobilization.” There may be instances where combatants wish to down arms before the establishment of a full-fledged national program (as happened in Eastern DRC). In these cases, receipts should be given for any arms collected in order to qualify the former combatant for future DDR programs and they should be given priority in stop-gap employment programs. The benefits should not be considered either in competition with or replacing a national DDR program. Additionally, the guns collected should be registered and destroyed. Where spontaneous demobilization activities are necessary, they should be implemented in a manner consistent with such national plans as may exist or are in preparation.

Avoid weapons buy-back programs. DDR programs should be designed to avoid the perception that weapons are being exchanged for cash. While it may be more complicated to deliver TSA-type benefits after ex-combatants have left demobilization centers, the CelPay option chosen in DRC demonstrates that creative solutions to the problem of delivering money to widely dispersed individuals in a post-conflict environment can be found.

Monitoring and evaluation. To allow for evaluations and monitoring of DDR processes as well as to measure the efficiency of financial contributions more work should be done on data collection and financial reporting of DDR processes. More transparency is also called for from all actors involved.

I. INTRODUCTION

1. This paper constitutes the second part of a review commissioned by the Swedish Ministry of Foreign Affairs of the experience of international actors in financing disarmament, demobilization and reintegration (DDR) processes. The review is intended to inform the financing-related discussions of Working Group 2 of the Swedish initiative on Disarmament, Demobilization and Reintegration (SIDDR) which was launched at the end of 2004.

2. The purpose of Phase 1 was to collect background information and map issues that would provide a basis for Working Group 2 to determine the Phase 2 Work. The conclusions of Phase 1 confirmed the expectation that there are large gaps in the available information and differences in how donors classify data, making comparisons between different DDR processes or analysis of how resources are disbursed difficult. Phase 1 also highlighted the need for a better understanding of the process by which international financing for DDR processes is managed and concluded that field visits might allow for a deeper analysis of specific problems.

3. The two cases selected for Phase 2 work were the Democratic Republic of Congo (DRC), which we visited from 9-19 June 2005, and Liberia where we were from 26 June – 3 July 2005. These cases were chosen because: a) both have been underway for a period of time¹; b) DRC involves a DDR process where international support is being provided through a World Bank-managed multi-donor trust fund (MDTF), c) Liberia is a case where the UN is leading, and d) both of the processes examined are occurring in the context of a peace support operation.

4. The key objective of the fieldwork was to gain an understanding of how donors have gone about financing the DDR processes in the DRC and Liberia, including the specific challenges faced in terms of harmonizing the contributions of different countries/agencies and aligning these contributions with national needs, priorities and circumstances. (See Annex 1 for a more detailed TOR.)

5. Information was collected through a combination of field study, documentation review, and in-depth interviews with national and international community actors involved in designing, implementing and evaluating the chosen DDR processes both in the field and at headquarters. (See Annex 2 for a list of people consulted.) Because we faced real time constraints along with, in the DRC, the possibility of political unrest linked to the 30 June anniversary of the Peace Agreement, this severely restricted mobility. In the DRC we were therefore not able to visit any DDR field operations outside Kinshasa. In Liberia we were able to visit one vocational training program for ex-combatants a short distance outside Monrovia.

¹ In Liberia, disarmament and demobilization were declared completed in October 2004 and reintegration activities are ongoing. In DRC, the Ituri DDR process began in 2003/2004, the national program was launched in mid-2004 and apart from some 12,000 combatants in Ituri and a small number of the children associated with the fighting forces, very little disarmament or demobilization had occurred at the time field work was undertaken in June 2005.

6. In Section II we provide a summary of the key findings of Phase 1 work. In Section III, we examine the case study findings. In Section IV, we discuss the implications of these findings for donor financing of DDR processes. In Section V, we make a number of specific recommendations for donors.

II. SUMMARY OF PHASE 1 FINDINGS AND ISSUES FOR FURTHER EXAMINATION

7. During the first phase of the work on DDR financing, background information was collected on the costs of DDR processes. Although, as noted above, there are large gaps in the available information and significant differences in how donors classify data, a reasonable amount of information was collected for 21 DDR processes (17 of which are in Africa) and the following observations emerged:

- ❑ None of the major multilateral or bilateral sources of DDR resources consulted appears to maintain a centralized DDR database, which seriously complicates data collection efforts.
- ❑ DDR processes tend to receive funding from a wide variety of sources (various national, multilateral and bilateral windows). Although DDR relies heavily on international support (financial, technical, and material), in 12 countries the national government also contributed financial resources.
- ❑ Of the various funding instruments used most frequently, MDTFs have been employed with increasing frequency.
- ❑ While DDR MDTFs have been managed both by the World Bank or UNDP, the Bank has emerged as a major supporter of DDR processes independent of its management of trust funds, due largely to the Multi-Country Demobilization and Reintegration Program (MDRP) for the Greater Great Lakes region in Africa.
- ❑ Information on expenditures for disarmament, administration or program management is rarely centralized or made available to outside analysts. It is therefore extremely difficult to determine the full cost of DDR processes or to calculate accurate per-beneficiary costs.
- ❑ The calculation of per-beneficiary costs is further complicated by the incompleteness of the data for other DDR components, by the lack of actual versus budget expenditures, and by the sometimes-significant differential in numbers of beneficiaries by stage of the DDR process.

8. While multiple funding sources and instruments theoretically can facilitate developing a workable package of DDR assistance, in practice it can often be difficult to access the right type of financing, to deliver it in the amounts needed and on time. It is also often difficult to use those resources effectively, efficiently and in an accountable manner. There thus is a need to better understand the processes by which international financing for DDR is managed. Phase 1 research accordingly examined 1) the role of DDR in the peace process and 2) the extent to which an appropriate use of financing instruments and sources can help overcome five of the most common difficulties faced in financing post-conflict DDR processes:

- ❑ How to ensure that funding facilitates a leading role and political responsibility on the part of national actors in DDR processes;
- ❑ How to obtain the right kind of money in the right amounts on time;
- ❑ How to link DDR with upstream (peace negotiation, pre-disarmament) and downstream (security sector reform (SSR), community rehabilitation and development) activities;²
- ❑ How to promote coordination among the members of the international community supporting DDR efforts; and
- ❑ How to match resource needs with available funding sources and instruments.

II.1 DDR and Peace Processes

9. DDR processes can provide the mechanism to separate combatants from at least some of their weapons and to begin to break up command structures. They can offer the armed opposition a way of laying down arms without being seen as having surrendered. They can also begin to build trust and confidence among and between former combatants and non-combatants that is necessary for other elements of the peace process such as elections, SSR, reconciliation, and economic recovery to go forward. DDR processes also provide ex-combatants with a much-needed transition period and an opportunity to reintegrate into civilian life, offer a short-term safety net for ex-combatants and their dependents, and start the process of changing the habits and identity of ex-combatants. For all this to happen, the overall peace process must be largely on track.

10. Accordingly, DDR must be financed in a way that supports the peace process. The choice of which resources to use and the instruments with which to deliver those resources must reinforce the efforts of the local (and regional) stakeholders to resolve their differences peacefully, by political means, rather than by the force of weapons. Other instruments should be used to achieve other objectives, such as building effective and accountable security services or providing communities with the means to recover from conflict.

II.2 National Leadership and Responsibility

11. National actors and institutions should assume the leadership of and political responsibility for DDR processes. It is extremely important that national actors – including national governments, the former armed opposition and members of civil society – assume the responsibility for decisions about objectives, policies, strategies, program design, and implementation modalities. While national institutions should ideally manage DDR processes, in practice considerable external support may be required. Such support should promote, not undermine, national leadership and

² Some elements of security sector reform, such as strategic security reviews and security service restructuring, may begin prior to DDR.

responsibility.³

12. Most DDR processes are, however, externally driven. There are multiple reasons for this. Some international actors are not well-versed in the need for national leadership and responsibility. Some are prompted by weak local capacity to take control. Some cite the absence of adequate political will on the part of local actors to participate fully in the peace process as a reason why international actors need to be in the lead. Tight timetables for peace operations can exacerbate the conditions that militate against national ownership. Some international actors find it difficult to work with all relevant DDR stakeholders, particularly national militaries or armed groups.

13. The funding instrument that to date has shown the most promise in terms of promoting national leadership and responsibility is the multi-donor trust fund, particularly MDTFs that support agreed nationally-owned DDR processes. An MDTF does not, however, guarantee that national actors will assume the leadership of and responsibility for DDR processes. To maximize the benefits that MDTFs can provide in terms of national ownership, bilateral donors need to submit to the discipline of trust funds and work through national institutions. Additionally, national leadership of and responsibility for DDR processes will clearly benefit to the extent that bilateral donors are able to maximize the amount of funds that can be contributed to unearmarked multi-donor trust funds.

II.3 The Right Kind of Money, In the Right Amounts, On Time

14. DDR processes have in the past been heavily financed through voluntary funding. This has created problems of obtaining money in a timely way and in the amounts required. One way to deliver resources more rapidly is to maximize the use of bilateral agency and UNDP quick-disbursing windows. Although it has created new financing mechanisms that can provide resources relatively quickly, World Bank funding (both bilateral and through trust funds) has frequently been less nimble when it comes to financing early operational activities, although the Bank is increasingly able to bring some early funding to the table through Post-Conflict Funds grants and the Project Preparation Facility. Another way of obtaining relatively early money would be to involve those who will ultimately help foot the DDR bill as early in the DDR planning process as possible (including at the peace negotiations stage). This does not, however, eliminate the possibility that donors will delay pledges because of uncertainties in the peace process.

15. An additional constraint on bilateral donor financing relates to the eligibility of funds allocated for DDR to be counted as Official Development Assistance (ODA). The main problem with ODA lies with demobilization and, particularly, disarmament. However, ODA-eligibility is not a problem for some donors, such as the US (which is

³ In the course of the SIDDR process, it has become clear that the term “national ownership” has different meanings for different individuals. Some view national ownership as a process by which all relevant national actors assume leadership of and responsibility for decisions. These decisions are ideally implemented through national actors and institutions, which frequently require support both to make and implement decisions and recognize that oversight is also required. Others define “national ownership” as giving national actors full authority to make decisions and manage resources without any oversight.

more constrained by national legislation) or the UK and to some extent the Netherlands (where decisions of which countries or DDR processes to support are based on other considerations).

16. The problems associated with voluntary funding have led to an interest in expanding the scope of UN peacekeeping mission budgets, since such budgets offer a relatively assured and relatively early source of funding by drawing on UN assessed contributions. According to UN officials, however, this would only reduce, but not eliminate, the need to raise voluntary funds to cover aspects of demobilization and reinsertion since important elements of these activities such as support for children and women associated with the fighting forces and the war-disabled would be excluded. Greater reliance on assessed contributions would spread the burden for financing DDR more evenly across the donor community. From the perspective of national leadership and responsibility, however, expanding the scope of UN assessed budget financing appears problematic since to date the mission budget has been executed solely by the mission, thus reducing opportunities for national bodies to manage DDR resources.

II.4 Upstream and Downstream Linkages

17. One of the challenges of designing and implementing DDR processes is ensuring strong linkages between DDR and other parts of the peace process. These linkages may be established prior to or after DDR, but their effectiveness is often closely linked to the success of the DDR process itself. Of particular concern have been linkages between DDR and elements of security-service restructuring (upstream), early planning (upstream), security-sector reform (downstream), and community-based assistance to war-affected communities (downstream).

18. Some donors (including the United States and the World Bank) are unable to finance activities involving the national armed forces of a country which limits the support they can provide during cantonment. Donors that are concerned about ODA-eligibility of their DDR financing may be reluctant to provide support that benefits members of a country's armed forces out of development or humanitarian assistance windows, the two largest sources of voluntary funding for DDR.

19. The problem of supporting the preparatory phase of a DDR process prior to the signing of a peace agreement or very early in the post-agreement phase seems to be less one of finding the resources than recognizing the problem. Both bilateral and multilateral funds have been available for this purpose in the past.⁴

20. Both security-sector reform and community-based recovery and rehabilitation efforts need to be linked to DDR but are not an integral part of DDR processes. Yet there is indication of increasing pressure to expand the scope of DDR programs to encompass both community rehabilitation and development as the main mechanism for reintegrating ex-combatants and security-sector reform.

⁴ DFID provided technical assistance on DDR in Sudan two years in advance of the final peace agreement and financial support to UNDP to enable DDR planning to get underway before the peace agreement was signed.

21. A more fundamental question that has yet to be addressed is whether longer-term reintegration should actually be part of the DDR process. Given the political and security objectives of DDR, it might make more sense to redefine the “R” portion of DDR as “reinsertion,” and to identify ways in which longer-term assistance can be used to support the reintegration of former combatants and their dependents into civilian life without overly privileging them compared to other war-affected populations. Similarly, there may be elements of security service restructuring and reform that can be supported by DDR, with the majority of the longer-term components of this process requiring more focused assistance.

II.5 Promoting Coordination among International Actors

22. Coordination is the perennial problem facing all humanitarian, post-conflict, and development work. Coordination of DDR activities and financing is somewhat more complex than coordination of some other forms of assistance in that it requires collaboration among actors with different institutional agendas and cultures. The international community is currently taking some steps to strengthen international DDR-related coordination.

23. The growing use of multi-donor trust funds to support DDR activities in conflict-affected countries reflects in part a recognition of the need to coordinate donor financing of DDR. The same is true of the creation of pooled resource funds in the UK and the Netherlands, as well as the “whole of government approach” discussions that DAC members are having on a range of security-related issues. Similarly, the UN-wide effort to develop an integrated DDR strategy, which contains a module on financing and budgeting of DDR programs, focuses both on bringing DDR funding mechanisms under an integrated DDR fund management facility to support an integrated DDR plan to the extent possible and on linking parallel funding mechanisms to this integrated plan (the Inter-Agency DDR Strategy, or IDDRS, process).

24. Linking all financing into a unified DDR plan is undoubtedly the most effective means of coordination. The key questions are, whose plan will it be, how will that plan be developed, and how will the financing be managed? The central tool for raising and coordinating international financing for DDR processes should be a national DDR plan, prepared with the active participation of national stakeholders, guided by national priorities as identified by national stakeholders, and ideally developed and implemented through national institutions. Developing such a plan and linking financing to it has proven to be a considerable challenge.

II.6 Matching Resource Needs with Available Funding Sources and Instruments

25. Most DDR processes since late 1992 have been financed by multiple sources using multiple instruments to deliver the resources. While having multiple options can be helpful in putting together a funding package for a DDR program, it can also create significant problems in terms of effectiveness, efficiency and accountability. Inexperienced international staff may not know which sources of funding or instruments can be used; they may not understand how to work the system and thus miss available resources or instruments by failing to think outside the box or lacking understanding of

how programs were financed in the past. National actors cannot be expected to know which donor funding windows can be tapped, how best to access each window, and what funding instruments will best meet their needs. Additionally, they will be hard pressed to oversee the activities of a diverse group of DDR funding instruments.

26. Simplifying this process by maximizing the amount of resources that are provided through multilateral/multi-donor instruments such as multi-donor trust funds and peace support operations (UN or regional) in support of national programs appears to make good sense. An important question in this regard is what impediments exist to this approach. In some cases there may be national policies and legislation that require funds to be used in certain ways. In other cases, it may be more an issue of allocating more funds to particular financing windows or changing long-standing practice on the approach to DDR (or assistance to conflict-affected countries in general).

III. CASE STUDY ANALYSIS: DRC AND LIBERIA

27. In view of the findings of the phase 1 report, the field research for phase 2 in the Democratic Republic of Congo and Liberia centered around five questions:

- What is the political and security context within which the DDR process was developed and is being implemented?
- What are the factors shaping and constraining donor engagement in the DDR processes?
- To what degree are the DDR processes guided by strategic frameworks and how have these frameworks been developed?
- What funding modalities have been used to support the DDR processes?
- How have the funding modalities employed affected the implementation of the DDR processes?

The main findings in each of these areas are summarized below.⁵ Basic information on the DDR process in Liberia and DRC is provided in Boxes 3.1 and 3.2 respectively.

III.1 Political and Economic Context

28. DRC and Liberia demonstrate very clearly that the context in which DDR processes take place has an important influence on the nature of those processes, the way in which they are implemented, and the degree of success they achieve. This in turn has implications for financing. Both involve contested peace processes, that is, although peace agreements have been signed and peace processes are formally

⁵ In carrying out these case studies, the team was able to draw on a good deal of documentation provided by the agencies involved in the DDR process, as well as interviews with many of the key actors in both DRC and Liberia. With the exception of the MDRP mid-term evaluation, which contains some information on DRC, the team was not, however, able to draw on any evaluations of DDR work in either country. It was therefore necessary to review the entire program to establish where financing issues are located.

Box 3.1 Overview of the DDR Process in Liberia

The DDR process in Liberia emerged out of the Accra Peace Agreement signed by the three Liberian warring factions on August 18, 2003. This accord, together with United Nations Security Council Resolution 1509, provided a legal framework for DDR, which UNMIL was mandated to implement. (See Annex 3 for the relevant portions of the UNMIL mandate.)

The Disarmament, Demobilization, Rehabilitation and Reintegration (DDRR) program is a joint initiative of national and international stakeholders including UNDP, UNMIL, the National Transitional Government of Liberia (NTGL), NGOs, as well as UN and other international humanitarian agencies. A coordination secretariat, the Joint Implementation Unit (JIU), composed of UNMIL, UNDP and the National Commission for DDRR (NCDDRR), manages the process.

The DDRR activities have been financed through a combination of UN assessed funds, the DDRR Trust Fund executed by UNDP, parallel projects, and, reportedly, the NTGL. (See Table 3.1.) The contributors to the Trust Fund are Denmark, the European Union, Iceland, Ireland, Japan, Norway, Sweden, Switzerland, the UK, UNDP and the US.

The drafting of the Strategic Operational Framework for the DDR program, led by UNDP, was completed in October 2003 shortly after the NTGL was established. Drawing on this, UNMIL elaborated its own Action Plan, based on an estimate that 38,000 combatants would need to be demobilized. This Action Plan was used to obtain money from the UN assessed budget for the program.

Phase 1 of the DDRR process was hastily launched in December 2003 by UNMIL due to concerns about the volatility of the security environment. UNMIL was forced to abort the process after one week due to inadequate facilities for camp management, monitoring and evaluation, or record keeping, and UNMIL's inability to provide security. Approximately 13,000 combatants were nonetheless disarmed and demobilized and received a preliminary Transitional Safety Net Allowance (TSA) of \$75.

After a three-month period of preparation, which included a campaign to sensitize ex-combatants, Phase 2 was launched in April 2004. Four cantonment sites were opened. During Phase 3, which lasted from July to October, an additional four cantonment sites were in operation. The program was completed with a three-week "mop-up" exercise during which mobile units were sent to demobilize combatants who could not make it to a cantonment site *in situ*.

The initial criteria used to determine eligibility for the DDR program were based on a narrow definition of "armed combatant." These criteria, which favored men, were subsequently broadened to take into account the roles of women and children who had provided support services to armed combatants during the war. With this revision, entry into the program was required surrender of either a gun or 150 rounds of ammunition. The broadening of eligibility criteria, combined with poor enforcement of these criteria, enabled a significant number of false beneficiaries to enter the program and led to a surge in overall numbers. This in effect turned the disarmament phase into a gun buy-back program.

By the end of 2004, 103,109 people had officially been disarmed, 101,000 of whom were demobilized. During disarmament, 27,000 weapons, 6,153,631 small arms ammunition and 29,794 "other ammunition" were collected. Eleven thousand seven hundred children were demobilized and immediately entered a reintegration program under the care of UNICEF. Of the remaining adults, one-third had been registered by mid-2005 in some form of reintegration program. Funding and projects were still needed to cover those remaining. Rehabilitation and reintegration benefits were reduced to ensure that there were sufficient resources to provide all eligible ex-combatants with some form of benefit.

Box 3.2. Overview of the DDR Process in DRC

The DDR process in DRC emerged out of the Lusaka Accords (August 1999) and the Global and Inclusive Peace agreement signed by the Congolese warring factions in December 2002. These accords, together with the Memorandum on Military and Security Questions (March 2003) set out a framework for DDR and military integration, although they left the practical planning of a program to the Transitional Government (TG). The five parties that signed the Sun City agreement in April 2003 registered a total of 350,000 combatants though it is generally accepted that numbers were inflated. Accordingly, it was agreed that 150,000 combatants would be demobilized and another 50,000 integrated into a new national army by the end of 2005. The TG envisages that the national army will eventually comprise from 100-150,000 combatants.

Development of the DDR program in DRC has gone through several phases involving a range of national and international actors. Following the Lusaka Accords, the ILO (International Labor Organization) signed an agreement with the World Bank to provide support to the government in the area of demobilization and reintegration with an overall objective of carrying out pilot activities in preparation of the development of a national program. On June 9, 2000, the Government issued a decree creating the Bureau National de Coordination de la Démobilisation et de la Réinsertion des groupes vulnérable (BUNADER). ILO supported BUNADER in the implementation of its activities. In October 2002, UNDP was requested by the TG, with the support of the MDRP, to be the lead agency in working with the Government in the development of the national program. An interim strategy was adopted by the MDRP in April 2003 which created the framework for the preparation of the national program. Under the auspices of the Vice Minister for demobilization, the government put in place the Comité Technique de Planification et Coordination de DDR (CTPC) to work with UNDP on the implementation of the interim strategy and the preparation of the national program.

In December 2003, the president issued three decrees to establish the National DDR Program, though the key institutions did not become operational until mid-2004. These were an inter-ministerial council to provide strategic policy direction (CI-DDR), the national DDR commission (CONADER), and a body to manage the funds (CGFDR). The directors appointed to each these bodies were political nominees.

A committee comprising UNDP, MONUC, UNICEF, MDRP, the Belgian mission and a range of Transitional Government stakeholders elaborated the National DDR Plan (PN-DDR). Army integration, which is central to consolidating the peace process, was formally linked to DDR through the *tronc commun*, which provides for all combatants to be processed and registered together before opting either to be demobilized or to join the new national army. The more detailed technical and financial planning required for army integration was not, however, included in the PN-DDR and this component of work was largely disregarded by donors until 2005.

In June 2000, the World Bank provided US \$2 million to the ILO for preliminary DDR work with the government. Starting in 2003, the World Bank provided an additional US \$25 million to support a number of "special projects" implemented by UNICEF, Save the Children Fund (SCF), UNDP, IRC, IFESH, CARE, and the Belgium Red Cross. In June 2004, the World Bank approved a US \$100 million IDA grant for the implementation of the PN-DDR. In October 2004 the MDRP approved an additional US \$100 m.

Due to blockages created primarily by the CGFDR and the lack of government counter-part funds that reflect government reluctance to undertake DDR, the process has only slowly become operational. Donor pressure resulted in the dissolution of the CGFDR and transfer of responsibility for financing to CONADER in late May 2005. In the interim, the TG had developed its own *plan d'urgence* for military integration which by-passed the *tronc commun*. The purpose was to form a number of brigades to address the security situation in the East. This plan was approved by donors with the understanding that these brigades would be processed through the DDR program at a later date. Although the number of brigades to be processed in this manner was limited, the government continued to move troops outside the framework of the agreed *tronc commun*. The Government has now agreed to implement the plan according to the national program. The objective is to complete disarmament and demobilization of all those in the integrated army by early 2006, by which time it is also foreseen that 50,000 troops will have been trained. Demobilization of other groups (non signatories) or second phase demobilization of those who did not go through the optional demobilization program will continue throughout 2006. Reinsertion programs, which have begun, will continue until 2007.

underway, the parties are not fully in agreement on the desirability of peace, particularly in DRC, or satisfied with the agreed division of power. These cases thus differ from DDR processes that occur following the victory of one party to a conflict or as a result of a negotiated settlement where all parties are committed to peace. All of these are different again from DDR processes that result from retrenchment.

29. DRC and Liberia exhibit a number of similarities, but also a number of important differences. Key contextual similarities which have affected the financing of the DDR programs are: 1) negotiated settlements that formally opened the way to the DDR program; 2) more than two parties to the settlement; 3) extremely weak state institutions; 4) serious donor concerns about the financial accountability of local institutions and actors; 5) tendency among external actors to place greater emphasis on DDR's role in delivering security and pushing forward the peace process than was realistic; and 6) the failure of the UN mission to play a strong political role in the area of DDR. Key contextual differences are: 1) the role of the UN peacekeeping mission in designing and implementing the DDR process;⁶ 2) the role of the World Bank; 3) donor perceptions about the desirability and feasibility of national ownership of the DDR process, including control over financial resources; 4) the attempt at a regional approach in the Greater Great Lakes Region; and 5) the persistence of armed conflict in DRC despite a peace settlement.

30. The case studies confirm that there is a close linkage between the overall peace process and the DDR process. That linkage runs primarily from the peace process to DDR. Both Liberia and DRC clearly demonstrate that a DDR program cannot by itself create the political or security conditions necessary for peace process implementation, and that the pace of the peace process strongly affects the pace of the DDR process.

III.1.a Need for an effective political forum

31. The simple fact of signing a peace agreement does not mean that the parties to the conflict have the necessary political will to implement that agreement. This is particularly true for negotiated, multi-party peace agreements such as those in DRC and Liberia. In consequence, it is extremely important to have a political forum in which DDR implementation can be discussed and at the same time provides the parties with the political space in which to raise contentious issues that frequently go beyond DDR to the heart of peace process implementation.

32. In Liberia, this political forum, the National Commission for Disarmament, Demobilization, Rehabilitation and Reintegration (NCDDRR), was mandated in the Comprehensive Peace Agreement to “coordinate DDRR activities.” Its membership includes representatives from the National Transitional Government of Liberia, the three armed groups, ECOWAS, the United Nations, the African Union, and the International Contact Group for Liberia.⁷ The NCDDRR is thus ideally constituted to serve this

⁶ See Annex 3 for the relevant portions of the UNMIL and MONUC mandates.

⁷ “Comprehensive Peace Agreement Between the Government of Liberia and the Liberians United for Reconciliation and Democracy (LURD) and the Movement for Democracy in Liberia (MODEL) and

purpose but UNMIL declined to allow it to play this role, particularly in the crucial early stages of the peace process. In DRC, the Commission Mixte pour la Réforme du Secteur de Sécurité that deals with DDR issues could theoretically play this role but it was only constituted in early 2005 and only began to function more effectively in mid-2005.

III.1.b DDR and security sector restructuring and reform

33. The case studies also underscore the fact that DDR is only one aspect of creating security in post-conflict environments. In both DRC and Liberia, the armed forces and police are undergoing restructuring and reform. In Liberia, the two processes are proceeding on separate tracks. In DRC, the two processes are linked, and to some degree, inadequate coordination and funding for military integration has affected DDR. In general, however, issues such as assignment of high-ranking positions in the new military and in the civil bureaucracy and the political and economic implications for senior officials of a smaller armed force have been more important in influencing the pace of DDR in DRC.

III.2 Factors Shaping and Constraining Donor Engagement

34. Under current financing arrangements, where only a portion, and often a rather small portion, of the resources necessary for DDR is provided from national sources or from the UN assessed budget, there is a heavy reliance on other multilateral or bilateral sources of funding. It is therefore important to understand the factors that influence donors' decisions to support DDR processes with financial, technical or material assistance.

35. Donors interviewed for this report cited a number of reasons why they engage in DDR. The factors encouraging donors to support DDR include:

- Historical or current political relations with a country.
- Linkage between DDR and conflict resolution, which is seen as essential for recovery and development.
- Means of reducing military spending.
- Engagement of other donors, particularly as part of a multi-donor trust fund arrangement.
- Understanding of DDR as an important element of a peace process and the desirability of a unified approach.

36. Factors militating against donor involvement include:

- National legislation, interpretation of national legislation, or agency policy preventing the use of development or humanitarian assistance for purposes supporting military forces.

Political Parties," Accra, August 18, 2003, Part 3, Article VI, paras. 8-10, www.usip.org/library/pa/liberia/liberia_08182003_toc.html.

- Lack of confidence in existing structures for managing DDR processes and disbursing international funds.
- Official development assistance (ODA) limitations.
- Concern that the conditions are not in place for a DDR process to achieve the expected outcomes.

37. It was not possible to determine the relative importance of any of these factors in the course of the research for this study. Clearly, since the team spoke only to those donors that were contributing in some way to the DDR process, the negative factors did not entirely outweigh the positive ones. Rather, they seem to have influenced the type of assistance provided or the recipients of the assistance. For example, one bilateral donor that is contributing to parallel programs but not to the trust fund explained that it would have been bureaucratically difficult to contribute to the trust fund and that, in any case, the size of its contribution would have been dwarfed by larger contributions from other donors, creating an embarrassment factor. Another bilateral donor that initially contributed to a multilateral trust fund has decided to fund parallel projects in the future over concerns about trust fund management (including fees) and the pace of disbursements from the trust fund.

38. ODA limitations do not appear to have been a significant disincentive for bilateral donors in either country. It seems that many donors have decided that supporting DDR simply is an essential part of a peace process that must, somehow, be financed (Box 3.3).

39. There was some suggestion that the existence of a multi-donor trust fund encouraged donors both to contribute, for example by providing a mechanism through which donors without a major presence in a country could support DDR, and to contribute more. At the same time, at least one non-MDRP donor stressed the importance of a country-by-country determination, and noted that DRC was the only MDRP country where his/her government had decided to support DDR. In this case, national priorities and the existence of a well-financed trust fund may have conspired to create a disincentive to support DDR more broadly.

Box 3.3 Promoting Security through DDR

“Everyone agrees that thousands of car mechanics is not a sustainable solution, but [training] keeps them busy for 9 months. Having people on the street would be a security risk and that is why people gave money to DDR.”

Source: Authors’ interview, Monrovia, June 2005.

40. The World Bank is a major funder of DDR through the MDRP and plays three roles in the MDRP. It manages the MDRP Secretariat; it administers the MDRP multi-donor trust fund; and it co-finances national programs through IBRD loans, IDA credits and IDA grants. Of the US\$534 m. estimated cost of the MDRP programs, the Bank foresaw contributing nearly US\$196 m. through co-financing.⁸ Bank financing of

⁸ Data from MDRP Program Cost Assumptions and Financing Estimates March 2004.

national programs is triggered by a government request.⁹ The initial program document makes clear that Bank procedures are to guide the MDRP.

Given the high risk post-conflict environment, extra efforts would be undertaken by task teams to ensure that for each World Bank and MDTF-funded operation, the specific financial management, procurement and disbursement arrangements are in accordance with World Bank's guidelines and procedures.¹⁰

This means, among other things, that militaries or individuals in the military cannot be funded. However, the MDRP Secretariat has been able to show some flexibility in this regard. (See paras. 60 and 95.) It also means that the Bank's most stringent fiduciary controls are applied to MDRP-funded projects, rather than the regulations guiding the LICUS Trust Fund or the Post-Conflict Fund. (See para. 78.)

III.3 Strategic Frameworks

41. Strategic frameworks for DDR programs can serve a number of important purposes: 1) lay out the broad objectives of the program, how these will be achieved, and the political and operational principles that will guide implementation; 2) clarify the respective roles and contributions of the various actors involved in the process, both national and international; 3) signal that the organizations involved in the process are serious about engaging, and thereby encourage other actors to buy into the program, including donors; 4) provide a basis for more detailed planning required to implement a DDR program so that decisions can be made about funding priorities and sequencing of activities; and 5) unify the various international funding instruments at the national level.

42. This section examines the following issues: 1) existence of strategic frameworks; 2) relationship between DDR implementation and the strategic framework; 3) involvement of national stakeholders in developing and implementing national frameworks; 4) linkage between the strategic framework and the budget for DDR; and 5) the degree to which the DDR framework is embedded in a broader security framework.

III.3.a Existence of strategic frameworks

43. In both DRC and Liberia, the DDR process is guided by a strategic framework.

DRC

44. In DRC, there was no debate about developing a strategic framework, as a national program is a general condition established by the MDRP partnership for accessing its funds (Box 3.4). After UNDP attempted to assist the government to elaborate a national strategy with technical assistance supplied by DFID (including

⁹ The MDRP co-finances national programs with the Bank and finances all special projects, regional activities and program management. World Bank, *Greater Great Lakes Regional Strategy for Demobilization and Reintegration*, Report no. 23869-AFR, Washington, DC, March 25, 2002, pp. 21-22.

¹⁰ World Bank, *Greater Great Lakes Regional Strategy*, p. iv.

Box 3.4. MDRP Requirements for National DDR Plan

“Country-specific criteria

“(i) *Preparation of a national demobilization and reintegration program.* This would typically be demonstrated by a coherent national program developed in consultation with the international community and national stakeholders. It could also be demonstrated by having a strategic planning and consultation process underway, with a clear roadmap and timetable.

“(ii) *Establishment of a suitable institutional structure.* The government needs to establish flexible implementation arrangements with appropriate planning, coordination and monitoring capacity and with the participation of relevant political and security stakeholders. The Government drafts a letter outlining its commitments to the regional peace process, demobilization and reintegration, security sector reform and fiscal impact of demobilization. The government would provide assurances and monitoring measures to ensure consistency with standard environmental and social safeguards. In addition, the government would establish satisfactory financial management and procurement arrangements.

“(iii) *A letter of demobilization policy outlining government commitment.*

“(iv) *Establishment of appropriate safeguards and fiduciary measures.*”

Source: World Bank, *Technical Annex for a Proposed Grant of SDR 68.1m (US\$100 Million Equivalent) to the Republic of Congo for an Emergency Demobilization and Reintegration Project*, May 3, 2004, p. 9, http://www.mdrp.org/countries/docs_drc.htm.

consideration of linkages with army integration), the government requested assistance from Belgium. The Programme National de Désarmement, Démobilisation et Réinsertion (PN-DDR) was ultimately produced by a working group composed of representatives of the Transitional Government, MDRP, MONUC, the World Bank, UNDP, UNICEF and Belgium. It was approved by the DRC Council of Ministers on May 7, 2004, the World Bank Board on May 25, 2004, and the DRC Parliament in October 2004. The PN-DDR was officially launched on July 24, 2004. It covers: 1) the five signatories of the Lusaka Accords, 2) the Mai-Mai, 3) the five signatories of Dar es Salaam Accords (May 16, 2003), 4) non-signatories of any agreement who disarmed voluntarily, and 5) Congolese combatants located outside DRC if they return to the country.¹¹ The signatories to the Dar es Salaam Accords have, however, been disarmed, demobilized and reinserted into their communities under the Ituri Disarmament and Community Reinsertion Programme (DCR), which has its own operational plan.¹²

Liberia

45. In Liberia, the strategy development process was also not straightforward. Initial work on developing a strategic framework was led by the UNDP while the warring factions were negotiating a political settlement in Accra, Ghana. In the wake of the Accra Agreement of August 18, 2003 and the establishment of the United Nations Mission in Liberia (UNMIL) by Security Council Resolution 1509 on September 19,

¹¹ Gouvernement de la République Démocratique du Congo, *Programme National de Désarmement, Démobilisation et Réinsertion*, March 5, 2004, paras. 60-62, p. 18. The Lusaka signatories: are Government/FAC, MLC, RCD, RCD - N and RCD- ML. The Dar es Salaam groups are: UPC/RP, FAPC, FNI/FRPI, PUSIC and FPDC.

¹² Tsjeard Bouta, *Assessment of the Ituri Disarmament and Community Reintegration Program (DCR)*, The Hague: Clingendael Institute/Conflict Research Unit, May 2005,

2003, DDR planning was completed by the Draft Interim Secretariat comprised of UNDP, UNMIL, World Bank, USAID, UNICEF, UNCHR, OCHA and World Vision.¹³ This plan was, however, largely set aside by UNMIL, which chose instead to develop its own action plan for a disarmament process that got underway on December 7, 2003, in order to address what it perceived to be a highly volatile security environment and because of its interpretation of its mandate. UNMIL proceeded with this action plan despite strong objections from UNDP and some of the bilateral donors.¹⁴

46. As explained in Box 3.1, this disarmament process had to be aborted, and a renewed DDR planning period inaugurated. This led to the Joint Operational Plan (JOP) for the Resumption of DDRR issued in February 2004, which covered disarmament and demobilization.¹⁵ A strategic and operational framework for rehabilitation and reintegration was also developed in early 2004 prior to the resumption of disarmament and demobilization.¹⁶ This strategy drew heavily on the October 2003 strategy prepared by the Draft Interim Secretariat.

III.3.b Implementation of the strategic framework

DRC

47. In DRC, the implementation of the DDR process has moved extremely slowly because national actors who stand to lose from a successful DDR process have succeeded in blocking it for the better part of a year.¹⁷ The establishment of an unwieldy government management structure for the DDR process contributed to this in no small part. The process of creating an integrated armed force (*brassage*), which was to occur in parallel to the DDR process, was also blocked, partly for financial reasons and partly for political reasons. In January 2005, the government suddenly began the military integration process by implementing a *plan d'urgence*. The *plan d'urgence* by-passed the agreed *tronc commun* approach to DDR – a series of activities that would be common to both DDR and army integration: “sensitization, assembly, identification,

¹³ *Liberian Disarmament, Demobilisation, Rehabilitation and Reintegration Programme: Strategy and Implementation Framework*, Monrovia: Draft Interim Secretariat, October 31, 2003. This plan was developed prior to the joint needs assessment conducted in December 2003, which included DDR.

¹⁴ The UNMIL mandate called for developing, “as soon as possible, preferably within 30 days of the adoption of this resolution...an action plan for the overall implementation of a disarmament, demobilization, reintegration, and repatriation (DDRR) programme for all armed parties....” United Nations, Security Council, S/Res/1509(2003), p.3. See also Annex 3.

¹⁵ UNMIL, “Joint Operational Plan: An Instructional Instrument for the resumption of the DDRR Process in Liberia,” DSRSG Instruction for Recommencing DDRR final, February 2004. See also, United Nations Mission in Liberia, *DSRSG (Operations and Rule of Law) Joint Operational Plan (Operational Addendum Three)*, May 27, 2004.

¹⁶ UNDP, Strategic and Operational Framework of Reintegration Support for Ex-Combatants, 2nd draft for discussion, ca. March 2004.

¹⁷ Authors’ interviews June-July 2005.

orientation”¹⁸ (Annex 4).

48. The *tronc commun* approach was intended to identify and remove children associated with the fighting forces prior to arrival at military integration camps and to give all combatants an opportunity to opt for demobilization outside a military setting, in *centres d'orientation* (CO). By-passing the COs necessitated a significant adjustment in the DDR process, but the *plan d'urgence* had not been consulted with CONADER. Several donor representatives interviewed for this report commented that they had not paid adequate attention to the change in the government's plans regarding “brassage” when they were first announced. In principle, Congolese authorities have agreed to return to the *tronc commun* approach. However, as recently as mid-July 2005, military authorities were making changes in the siting of *centres de brassage* – which had implications for the siting of the COs – without prior consultation with CONADER or the MDRP Secretariat.

Liberia

49. In Liberia, the implementation of the DDR process moved too rapidly at first, as a result of the SRSG's belief that the main task in providing security was to remove arms from the hands of the combatants.¹⁹ In consequence, the initial strategic plan of October 2003 was bypassed by UNMIL, and an ill-prepared DDR process was launched on December 7, 2003 and suspended on December 15, 2003. Once DDRR was resumed in April 2004, the disarmament and demobilization portion proceeded relatively smoothly at a technical level. However, a combination of factors, including a decision to broaden the eligibility criteria to facilitate the inclusion of women and children coupled with weak enforcement of those criteria, resulted in a massive increase in the number of beneficiaries, the vast majority of whom were young men. Box 3.5 lists the original eligibility criteria. The revised eligibility criteria allowed anyone in possession of 150 rounds of ammunition to join the DDRR program, an extremely low threshold. As a consequence, the rehabilitation and reintegration portion has faced delays, generated in no small degree by this increase in the number of program beneficiaries. There has also been a significant short-fall in funding, although the gap between pledges and program needs has narrowed considerably since the beginning of 2005.

¹⁸ Gouvernement de la République Démocratique du Congo, *Programme National de Désarmement, Démobilisation et Réinsertion*, paras. 20-25, pp. 8-9.

¹⁹ Additionally, the Comprehensive Peace Agreement called for the withdrawal of all forces “from combat positions to cantonment locations in accordance with the withdrawal and cantonment plan to be published by the International Stabilisation Force and the NCDDRR, no later than thirty (30) days after installation of the NTGL.” “Comprehensive Peace Agreement Between the Government of Liberia and the Liberians United for Reconciliation and Democracy (LURD) and the Movement for Democracy in Liberia (MODEL) and Political Parties, Accra 18th August, 2003,” Part Three, Article VI, paragraph 3, http://www.usip.org/library/pa/liberia/liberia_08182003_cpa.html. As indicated earlier, UNMIL's mandate foresaw the development of an action plan within 30 days of the adoption of UNSC Resolution 1509. (See Annex 3.)

It has also been suggested that UNMIL's desire to demonstrate progress on DDR prior to an international donors' conference in December 2003 was yet another source of pressure for rapid action. Authors' interviews, June-July 2005.

Box 3.5. Eligibility Criteria for Liberian DDRR Program

D1 Weapons Policy

The following guidelines are provided for the acceptance of weapons from combatants for disarmament and demobilization:

- a. Only combatants presenting serviceable weapons may be disarmed and demobilized.
- b. The exception to a. above is child (boy/girl) combatants, and women combatant {sic}, who have been confirmed to have participated in the fighting or part of the fighting force, may be demobilized without a weapon....

D1 Minimum Weapons Policy Guidelines

Qualifying Weapons, Firearms and Munitions

A	Pistol and Automatic Rifles plus munitions	1 person
B	RPG launcher	1 person
C	Crew Served light machine guns (LMG, MMG and CPMG)	2 persons
D	60 mm mortars	2 persons
E	81 mm mortars	3 persons
F	106, 120 and 155 mm mortars and howitzers	6 people
G	Anti-aircraft guns	4 persons

Qualifying Munitions and High Explosives

a.	2 grenades	1 person
b.	1 RPG round	1 person
c.	4 smoke grenades	1 person

Note: *Ammunition is not a qualifying criteria but will be collected, stored and destroyed.*

Source: UNMIL, "Joint Operational Plan: An Instructional Instrument for the resumption of the DDRR Process in Liberia," DSRSG Instruction for Recommending DDRR final, February 2004, pp. 7-8.

III.3.c Involvement of national stakeholders

50. The DRC and Liberia illustrate very different approaches to involving national stakeholders in the DDR process.

DRC

51. The DRC National Plan was developed with the participation of national actors. The implementation of the plan has also been primarily in national hands (Box 3.6). As Box 3.4 indicates, however, a condition for releasing MDRP funds was the "establishment of appropriate safeguards and fiduciary measures," that is, accepting an external monitoring agent. This oversight is important because CONADER has the authority to approve contracts up to US\$100,000 with commercial firms and up to US\$50,000 for individual contracts. CGFDR was able to delay the bidding process for the external monitoring agent and briefly by-pass the interim monitoring arrangement, but the decision to abolish CGFDR and give CONADER responsibility for financial management opened the way for an agreement with KPMG in mid-2005. CONADER has also hired an operations manager approved by the MDRP and has signed a contract with CelPay, a subsidiary of the Amsterdam-based firm MSI Cellular Investments, to handle the TSA payments.

Box 3.6. CONADER Responsibilities

According to the National Plan for DDR, CONADER is responsible for:

- Developing the criteria for disarmament and demobilization and proposing mechanisms for reinsertion
- Planning DDR activities
- Executing the National Plan.

Source: Gouvernement de la République Démocratique du Congo, *Programme National de Désarmement, Démobilisation et Réinsertion*, March 5, 2004, para. 122, pp. 31-32.

52. The problem is that if elections are to be held in the first half of 2006, the DDR process lags well behind what is agreed to be necessary to bring an adequate degree of security to the country. It is clear that the dissolution of the CGFDR by no means brought an end to political obstructionism on the part of some Congolese actors. The absence of a political body to monitor DDR progress from the start of the peace process, or at least the installation of the Transitional Government, has clearly been felt. It is clear that although it may be possible for external actors to push the DDR process forward at a technical level, for example by putting in place procurement and financial management systems, establishing COs, or ensuring that a demobilization ID system is in place, technical capacity alone will not resolve existing blockages, which are political in nature. It also appears to outside observers that by mid-2005 the international community was still not making a serious effort to remove or minimize the impact of these broader political blockages.

Liberia

53. The first DDR plan for Liberia was developed quite rapidly in September-October 2003 exclusively by international actors, although there were some consultations with Liberian non-governmental actors. One reason for this timing was that the EC and UNDP had funds programmed for FY 2003 that could be applied to the DDR program if a DDR strategy were in place. The UNMIL action plan that supplanted the first DDR plan appears not to have been consulted outside a small group of individuals in UNMIL and DPKO, and was never even distributed to other international actors involved in the DDR process. This lack of consultation derived at least in part from UNMIL's need to rapidly secure funding from the UN assessed budget for the entire mission, as well as from its interpretation of its mandate.²⁰ The subsequent planning for disarmament and demobilization remained firmly under the control of UNMIL during Phase 1, which came to a premature end shortly after the launch of the program. UNDP financed technical assistance to UNMIL for the development of the disarmament and demobilization JOP and Phases 2-4. UNDP also produced the reintegration strategy document.

54. The external actors have similarly dominated DDR implementation. During disarmament and demobilization, local actors were essentially bypassed, and the

²⁰ UNMIL was mandated "to develop, as soon as possible, preferably within 30 days of the adoption of this resolution, in cooperation with the JMC, relevant international financial institutions, international development organizations, and donor nations, an action plan for the overall implementation of a disarmament, demobilization, reintegration, and repatriation (DDRR) programme for all armed parties..."

NCDDRR met on only a few occasions.²¹ The Secretary of the NCDDRR was a UN civil servant, necessitating the creation of the position of Executive Director for a Liberian national. The decision to place a UN civil servant in this position was justified by the need to move rapidly to implement the DDRR program, and concerns that the individual proposed by the NTGL had strong factional connections and would not be, or seen to be, impartial. The failure of the first phase of the DDRR program in December 2003 led the international community to agree to bring senior factional commanders into the process in order to gain the confidence of the remaining combatants and help determine where to site disarmament and demobilization centers.²² During disarmament and demobilization, however, the power clearly resided with the Secretary.

55. Since the end of disarmament and demobilization in October 2004, the NCDDRR has met more frequently, and national actors have played some important roles. The Executive Director of the NCDDRR is involved in key decision-making bodies of the process. He sits on the NCDDRR Policy Committee and co-chairs the Project Approval Committee and the Technical Coordinating Committee. He also is responsible for counseling and referral activities, which are carried out to a large extent by national actors.

56. The relatively weak voice of the NCDDRR is also a consequence of broader donor concerns about the capacity and commitment of the NTGL to the reconstruction process. Unlike Sierra Leone, where it was the Government – weak as it was – that negotiated the peace and the terms of the DDR process, power in Liberia’s interim administration is fragmented between three factions. The absence of Liberian political leadership on a peace and reconciliation agenda, combined with the division of the main government agencies along factional lines, has created a strong perception among the donor community that the factional members which make up the NTGL (and NCDDRR) are not working on behalf of either the Government or the people.

57. While there are clearly serious weaknesses in the commitment and capacity of actors within the NGTL, to say that the government as a whole has no incentive to work in the future public interest – and thereby for donors to justify by-passing government

²¹ This led to a number of adverse outcomes according to the Executive Director of the NCDDRR. Moses C.T. Jarbo, “Case Study on Liberia DDRR – Who Sets the Agenda?”, paper presented at the Conference on Disarmament, Demobilization, Reintegration (DDR) and Stability in Africa, Freetown, Sierra Leone, June 21-23, 2005.

²² The commanders were also tasked to provide the number of troops that would make themselves available for DDRR. The commanders requested logistics to move around the country to determine the numbers. The UN was concerned that if it provided the commanders with vehicles and the peace process broke down, the commanders could disappear with the vehicles. Such an outcome would put the UN in a very bad position, and UNMIL decided against providing vehicles to the commanders. There was no lead bilateral that could have provided the money for such vehicles as the UK might have done in Sierra Leone. It is unclear whether UNMIL considered purchasing vehicles, donating them to the government, and allowing the government to assign the vehicles to the NCDDRR for this purpose. UNMIL reportedly rejected the idea of negotiating a ceiling for numbers within the context of the NCDDRR because Deputy SRSG Serayadarian was concerned that it might be impossible to obtain consensus within the NCDDRR. This would have delayed the DDRR process, which was unacceptable to UNMIL. Authors’ interviews, Monrovia, June-July 2005.

structures – risks becoming a “self-fulfilling prophecy” as one commentator noted. With the DDR process not based on the principle of strong national leadership and responsibility, UNMIL was consequently reliant on a strategy of paying-off combatants to create buy-in to the peace process among the factions rather than engaging them through political dialogue.

III.3.d Linkage with the DDR budget

58. There are significant differences between the two countries in the way in which the DDR processes have been financed. For DRC, the majority of the financing for DDR has been channeled through national institutions, while in Liberia, most of the money has been channeled through the UN mission budget and a directly executed UNDP trust fund.

DRC

59. The decision to allocate US\$100 m. each from the MDRP and a World Bank ODA grant was based on a budget that was a costing of the PN-DDR. The US\$200 m. budget was produced by the Kinshasa-based MDRP Secretariat and the government. The budget was discussed first with World Bank officials in Washington, DC. Once it was relatively certain that the Bank Board would approve a US\$100 m. IDA grant, the budget was presented to the MDRP partners, who ultimately agreed to provide the other half of the budget.

60. In the DRC context, however, the size of the budget was perhaps less important than finding a way around the World Bank/MDRP restrictions on the use of the money in support of the military reform process. This was necessary to enable the factional forces to be integrated into a new national army, which has been considered an essential pre-condition for elections and political normalization. While the donors had in essence guaranteed that DDR would be funded, pending agreement on the details of the budget, army integration had virtually no resources allocated to it by external partners in 2004. The exception was Belgian and Angolan support for training one integrated brigade each and support from South Africa to carry out a census of the military forces. The PN-DDR therefore developed the concept of the *tronc commun* (Annex 4). The World Bank showed significant flexibility in this regard, agreeing that if the military status of combatants was suspended while they went through the *tronc commun* programs, MDRP and World Bank resources could also be used to transport individuals to Orientation Centers from where they would subsequently choose to join the new armed forces or demobilize and reintegrate into civilian society.

Liberia

61. In Liberia, the DDDR program developed in October 2003 was not funded in a transparent or comprehensive manner. The two main sources of funding have been the UNMIL mission budget and voluntary contributions channeled through a multi-donor trust fund administered by UNDP. UNMIL and DPKO determined which elements of the strategic framework would be covered by the mission budget. In general, the mission budget covered disarmament and demobilization costs, including the Transitional Safety

Net Allowance (TSA).²³ However, some essential elements of demobilization were omitted, such as camp management, food management, medical screenings, reproductive health, and the transportation of combatants between disarmament points and demobilization centers. Some outside UNMIL have argued that these omissions were the result of the non-transparent budget preparation process. But it is likely that this was also a consequence of the urgency with which the budget was developed, and the fact that those involved lacked specialist DDR expertise. UNDP advanced the mission budget \$12.5 m. to cover these activities and in September 2005 remained engaged in negotiations to recover these funds.²⁴

62. The budget for rehabilitation and reintegration was developed by the UNDP Direct Execution (DEX) Service Center in Monrovia based on UNDP's strategic and operational framework for reintegration, which was, in turn, heavily influenced by the October 2003 strategic framework.²⁵ The initial budget assumed 38,000 beneficiaries. That budget was revised in August 2004 based on an anticipated caseload of 48,400. In the end, some 101,000 individuals were demobilized and eligible for reintegration assistance. Thus, while UNMIL's lack of transparency in developing the mission budget created a funding shortfall for disarmament and demobilization, which was partly covered by the UNDP-executed Trust Fund, the major problem in aligning the DDR budget with the strategic framework was UNMIL's decision to run what was essentially a gun buy-back scheme, rather than a disciplined, comprehensive DDR process.

III.3.e Linkage with a broader security framework

63. To have the best chance of achieving desired long-term benefits, DDR processes need to be set within a broader security framework so that strategic decisions can be made about policy priorities and the sequencing of reform activities. To date, as the cases of both DRC and Liberia confirm, donors have tended to approach DDR in isolation from wider challenges of military integration, SSR or efforts to consolidate peace processes. The focus on what often amounts to buying-off soldiers for a one or two-year period, without sufficient attention to devising incentives and disincentives that will prevent ex-combatants taking up arms again once transitional safety-net allowances have run out, can pose a real risk to longer-term efforts to stabilize countries and pursue both reconciliation and reconstruction processes.

²³ Although UNMIL acted virtually unilaterally in determining what elements of the DDR process would be financed by the mission budget, it was responsive to the donors' decision not to finance the TSA. After being advised by UNDP that the trust fund would be unable to finance TSAs, UNMIL successfully made the case to the UN Advisory Committee on Administrative and Budgetary Questions (ACABQ) that the mission budget had to cover the cost of TSA. Authors' interviews, Monrovia, June-July 2005.

²⁴ There is an ongoing debate between UNDP and DPKO as to whether the mission should reimburse UNDP for these costs and, if so, how much. This disagreement was unresolved at the time the research for this report was conducted, although there were indications in September 2005 that UNMIL would return about \$US 6 m. to the UNDP trust fund.

²⁵ UNDP, *Strategic and Operational Framework of Reintegration*.

DRC

64. In the case of DRC, the key stumbling block stems from the fact that DDR plans were developed in the absence of a clear strategic plan for military integration. Although the TG lacked technical capacity to develop such a plan, the main problem was that the Congolese parties still lacked sufficient confidence in the peace process to proceed either with DDR or military integration and there has been no consistent diplomatic effort on the part of the international community to build that confidence. The relatively abundant level of resources for DDR further skewed the focus of international assistance in the security arena to this policy area. The assumption that DDR would take place first, to be followed in linear fashion by military integration and wider security reforms, did not take into account that in the DRC, breaking the command and control of the armed factions party to the peace agreement could not effectively be achieved without integrating the various armed groups into a new national army. The lack of adequate financing for military integration, combined with delays in starting DDR, has resulted in a situation where factional forces have remained mobilized longer than was originally intended.

Liberia

65. In Liberia, DDR of the three factional forces was the central security component of the Comprehensive Peace Agreement in view of the short-term threat they were deemed to pose to the peace. Beyond recognizing the need to build a new national army and strengthen the police, the peace agreement did not spell out in detail how the security void following DDR would be addressed. The assumption has been that the disarmament of the bulk of the fighters, combined with the deployment of sufficient numbers of international peacekeepers, would enable the security vacuum to be effectively managed until police and military forces could be trained and re-deployed. As in the DRC, a strategic framework spelling out a timeline for rebuilding these security forces, with provision for the financing and training of this process, was not developed.

Role of the international community

66. The absence of a strategic security framework in both DRC and Liberia was in large part the consequence of the lack of an international champion to raise this issue and a forum where it could be discussed. The establishment of a joint commission for SSR in DRC has gone some way to providing a framework for a more comprehensive approach to rebuilding the country's security sector. In Liberia, such a forum still does not exist, with UNMIL itself focusing narrowly on policing issues and content to allow the United States to drive the process of rebuilding the national army.

III.4 Funding DDR

67. This section focuses on three aspects of funding DDR in DRC and Liberia: 1) funding sources and instruments; 2) sequencing of these funding sources and instruments; and 3) fiduciary controls.

III.4.a Funding sources and instruments

68. Box 3.7 shows the main funding modalities used in the DRC and Liberia, with some examples of the specific instrument for each country. Table 3.1 lists the major funding sources and the amounts provided to the two DDR processes. This table shows that although field work can help develop better information on DDR financing, gaps remain. Table 3.1 also demonstrates a strong preference for multilateral funding sources in both DRC and Liberia.

69. The preference for multilateral sources of funding may reflect the fact that the peace process in both countries lacks a bilateral champion of the sort Sierra Leone had in the UK. In DRC, it reflects the donors' competing interests and the heavy burden that the continuing turmoil there would place on any lead country.²⁶ In Liberia it reflects the country's lack of strong strategic value for any of the Western powers that are supporting the peace process. Added to this, DRC is an MDRP regional partner, so it

Box 3.7. Funding Instruments

DRC

- Direct execution [MONUC]
- Financial transfers to national executing and implementing bodies [MDRP to CONADER]
- Financial transfers to international executing and implementing bodies [MDRP to UNICEF]
- Contributions to multilateral trust fund [MDRP donors to MDRP Trust Fund]
- Co-financing/cost-sharing [French support of UNDP program in Ituri]
- Technical assistance [US to CONADER]

Liberia

- Direct execution [UNMIL/UNDP TF]
- Financial transfers to national implementing bodies [UNDP Trust Fund to Grace Outreach Vocational Training Center]
- Financial transfers to international executing and implementing bodies [UNDP Trust Fund to UNICEF]
- Contributions to multilateral trust fund [UNDP Trust Fund donors to UNDP]
- Co-financing/cost-sharing [UK support for USAID LCIP project]
- Technical assistance [UNDP to UNMIL]

NOTE: The examples are illustrative, not exhaustive.

²⁶ While it is understandable that no country would be in a position to shoulder the financial burden for DDR or SSR on their own, the lack of an international actor to champion these processes is perhaps more surprising. This could have been done by supporting a broad security review as a basis for jump-starting the DDR and SSR processes, or by coordinating efforts to raise international funds for military integration. In the event, a champion for SSR only emerged late in the day when the EU in May 2005 sent a security team consisting of seven advisers to coordinate donor and government efforts in the security domain.

Table 3.1. Funding Sources: Liberia and DRC US \$ m.				
Funding Source	Disarmament	Demobilization	Reintegration	Total
DRC				
MDRP MDTF ^a window		138.1 ^b		138.1
MDRP IDA window		100.0		100.0
United Nations assessed budget	?			?
Parallel funding, of which				
United States			? [in-kind] ^c	?
Japan			3.5 ^d	3.5
Belgium			3.0 ^c	3.0
France			1.3 ^e	?
UNDP core			1.6	1.6
UNICEF		Unspecified mount of money from national committees		?
Total DRC				>246.2
Liberia				
United Nations mission budget (from UN assessed contributions)	43.7			43.7
UNDP Trust Fund ^f		44.0 ^g		44.0
Parallel funding, of which				
United States			[including DoL]?	?
EC			?	?
UK			3.5 ^h	3.5
Japan	~2.6 ⁱ [?]			?
UNICEF		?	?	?
NTGL				?
Total Liberia				>91.2

^a Contributors to the MDRP MDTF window are: Belgium, Canada, Denmark, EC, France, Germany, Italy, Netherlands, Norway, Sweden and UK.

^b US\$100 m from the National Program window and US\$ 35.4 m from the Special Projects window; US\$0.4m for regional activities, US\$1.8 m for program management, and US\$0.5 m for trust fund administration. This slightly underestimates program management costs, since not all MDRP staff charge the DRC program for time spent working on that program.

^c Pledges to UNDP Disarmament and Community Reinsertion Program.

^d To support the Rapid Response Mechanism and the Community Recovery, Reintegration of Ex-Combatants and Light Weapons Reduction program.

^e According to UNDP, it received a €1 m contribution from France to support its Rapid Response Mechanism and Community Recovery, Reintegration of Ex-Combatants and Light Weapons Reduction program. Exchange rate as of January 1, 2004.

^f Trust fund contributors include: Denmark, European Community, Iceland, Ireland, Norway, Sweden, Switzerland, UNDP, United Kingdom, United States. Annex 5 provides detailed information on the amounts pledged and disbursed as of June 30, 2005.

^g Based on actual contributions to the Trust Fund. Of this amount, US\$12.3 m was applied to demobilization activities. Reimbursement is being sought from UNMIL but at time of writing, no reimbursement had been approved. The current budget for the DDRR Trust Fund is \$71.3 m and US\$61.7 m had been pledged by June 30, 2005.

^h A £2 m contribution, based on exchange rate as of June 25, 2005, Economist Currency Converter.

Source: MDRP Secretariat, disbursement figures to August 4, 2005; UNDP TF Financial Brief Update [Liberia], June 2005 (#24); UNDP, "Point sur le DDR en République Démocratique du Congo," January 2004; UNMIL accounts, as of June 30, 2005; World Bank, "Technical Annex for a Proposed Grant", Report No. T7618-DRC, May 3, 2004, p. 44; authors' interviews.

was clear from the outset that it would be able to access MDRP financing once it met all MDRP accession conditions.

70. In Liberia, the donors were unwilling to channel resources through the transitional government, due to concerns about the NTGL's transparency, accountability and capacity to manage funds. This argued in favor of maximizing the amount of resources that passed through the UNMIL budget and, combined with the relatively limited in-country capacity among many donors, in favor of creating a multilateral trust fund rather than financing individual bilateral programs.

71. Despite what appears to be a clear preference for multilateral channels of financing in both DRC and Liberia, a number of bilateral channels were also used. It felt that their money could be used more effectively and efficiently outside the relevant trust fund (more rapid implementation or the ability to target financing on specific geographic areas or programs).²⁷ However, the lack of linkage to the national program that so often characterizes bilateral contributions to DDR processes did not seem to be a major problem in either country. The absence of bilateral champions and the relative lack of strategic importance may also have enabled those bilateral donors providing parallel funding to link their contributions closely to each country's national plan. Additionally, in the DRC, the MDRP's strong interest in limiting parallel programs that were not linked to the national program probably contributed to this outcome.²⁸

72. Two additional aspects of funding sources are worth noting. The first relates to the absence of government counterpart funds in the DRC. The fact that the DRC Transitional Government declined to allocate any resources to the DDR process means that from CONADER's perspective there has been less flexibility in implementing the DDR program. Absent national resources, if expenses are ineligible for World Bank funding, then CONADER has to seek funding from UNDP's RRM or bilateral donors.

²⁷ Quick disbursing funds will be discussed below in the section on "Sequencing."

²⁸ Multi-Country Demobilization and Reintegration Program, "Progress Report and Work Plan," October 31, 2002, para. 9, pp. 2-3.

CONADER reportedly found the RRM not as flexible as required at times and bilateral donors that are also MDRP partners have unwilling to provide additional funding. USAID, which is not an MDRP partner, has more flexibility and has been able to provide in-kind and technical assistance at critical points.²⁹ The second point relates directly to the World Bank's resource mobilization capacity. The Bank is able to bring considerable resources of its own to the table. Of the US\$534.4 m. approved budget of the MDRP, the Bank is providing 37 percent, or almost US\$196 m. It is providing about 40 percent of the DDR funding for DRC that has been identified to date (Table 3.1).³⁰ In contrast, in Liberia, where the Bank reached an agreement with UNDP/BCPR that it would not become involved in DDR, there is also no Bank money involved.

III.4.b Sequencing

73. One issue that arises in every DDR process is the need for early, flexible funding that can come on line before multilateral sources of financing such as a UN mission budget or an MDTF are fully operational and that can be used for a variety of (often unanticipated) purposes. Liberia and DRC were no exceptions since activities needed to get underway in both countries before the main sources of funding were available.

DRC

74. In DRC the MDRP was able to provide resources to help develop the national DDR process and to respond to spontaneous demobilization in Eastern Congo at an early stage by financing the UNDP-implemented Rapid Response Mechanism, RRM (Box 3.8).³¹ Additionally, UNICEF and other child protection agencies were able to draw on sources of financing outside the MDRP framework. Bilateral donors such as the US were able to provide early support for activities such as developing the national program and community-based reintegration for spontaneously demobilized combatants.³²

75. Although the MDRP Special Projects window is intended to provide early funding "in the absence of a fully formulated national program, with the understanding that these activities will be integrated into the national program once it had been prepared and launched," including in areas not under control of the national government,³³ it took quite a while for funding to flow through this channel in DRC. The World Bank had to negotiate a Memorandum of Understanding (MOU) with each organization receiving Special Projects funding, whether a UN agency or an international NGO. In most cases, this process took an extremely long time, primarily because the World Bank

²⁹ Authors' interviews, September 2005.

³⁰ This percentage will drop somewhat when the final cost of DDR is calculated.

³¹ RRM started operations with US\$300,000 of UNDP TRAC 1 funding. It received an initial grant of \$US5 m from MDRP which has recently been supplemented by an additional US\$7 m from MDRP. France, Japan and Spain have also contributed to the RRM. UNDP was the lead agency prior to the establishment of a national institutional structure to manage DDR.

³² USAID/Democratic Republic of Congo, "Annual Report: Fiscal Year 2004," June 14, 2004, p.5, http://www.dec.org/pdf_docs?:PDACA026.pdf.

³³ <http://www.mdrp.org/overview/activities.htm#sp>.

initially insisted that its procurement and audit rules would apply to Special Project grants. The audit requirement was especially problematic for UN agencies, which had their own established audit procedures approved by their governing boards. Delays were also caused by the implementing partners' lack of familiarity with Bank procedures and the relatively cumbersome nature of Bank procedures.³⁴ Once again, the absence of government counterpart funds further limited flexibility.

Liberia

76. In Liberia, UNDP allocated quick disbursing core funding to enable early planning to go forward and to respond to the early disarmament and demobilization needs of combatants in December 2003 before the bilateral donors (with one exception) transferred money into the Trust Fund (Annex 5). Sweden alone contributed to the DDRR Trust Fund in Liberia in December 2003 in an effort to encourage other bilaterals to provide funding. The aborted disarmament effort in December 2003 caused concern among the donors about the UN's ability to manage DDR processes, but after Deputy SRSG for Humanitarian Affairs Abu Moussa was deployed by the SRSG to help restore the confidence of the bilateral donors and the humanitarian actors, major bilateral funding for the DDRR Trust Fund in Liberia began to arrive in March-April 2004. In view of the suspension of the DDRR process between December 15, 2003 and April 15, 2004 and the fact that much of the cost of disarmament and demobilization was being covered by the assessed budget, this disbursement schedule would not seem to have been problematic. Much more problematic has been the greatly increased fundraising burden for rehabilitation and reintegration placed on the DDRR trust fund by the vast increase in beneficiaries, as well as the unanticipated need to finance a portion of demobilization through the trust fund.

Box 3.8. UNDP Rapid Response Mechanism, DRC

The RRM has two main objectives:

1. Facilitate the national program by conducting exploratory activities, evaluation missions and quick surveys of target populations; analysis of preliminary conditions for DDR; sensitization, peacebuilding and reconciliation activities; information exchange; consultations with target groups and other affected populations.
2. Respond to contingencies and urgent programmatic and operational needs by rapidly deploying experts, materials and other inputs and preparation of DDR services such as demobilization sites, transit centers, community welcome centers and the like.

Source: MDRP DRC Special Projects, www.mdrp.org/countries/sp_drc.htm

III.4.c Fiduciary controls

77. The governments that provide the bulk of the resources for DDR, whether

³⁴ See Development Alternatives, Inc., *MDRP Midterm Review*, final draft, January 25, 2005, paras. 49-52, for a summary of the problems implementing agencies experienced in accessing the Special Projects window. The review notes that although the MDRP Secretariat was able to gain approval for some streamlining of the Special Projects procedures, they remained more demanding than those normally used in post-conflict environments (para. 26, p. 6). See also below section on "Fiduciary controls."

through UN mission budgets, multi-donor trust funds, or bilateral programs implemented by UN agencies, international NGOs, local bodies, or commercial firms, want to be assured that the funds they are provided are used for the purposes for which they were given.

78. The World Bank was chosen to administer the MDRP in part because the donors believed that the Bank could ensure a high standard of fiduciary responsibility. Two of the MDRP's basic principles are: 1) country ownership and leadership of national programs, and 2) a high level of transparency in the financial and procurement management systems of national programs and special projects. To ensure that financial management and procurement meet the Bank's standards while allowing national actors to take the lead, the Bank has adopted administrative procedures that are essentially the same that are applied to the Bank's own money and all multi-donor trust funds administered by the Bank *except* its Post-Conflict Fund and LICUS trust fund. Because many LICUS countries are conflict-affected, the standards of approval for grants from the LICUS trust fund follow the procedures of the Post-Conflict Fund, which allow for rapid assessment of proposals, rapid disbursement and less burdensome reporting requirements.³⁵

DRC

79. As far as the national program in the DRC has been concerned, the CGFDR, the Congolese body responsible for managing DDR finances and procurement, made numerous efforts to evade fiduciary oversight prior to its dissolution. It avoided the need for Bank approval of contracts by keeping corporate contracts under US\$100,000 and individual contracts under US\$50,000. This in itself would not have been a problem if the CGFDR had not both delayed the process of hiring the external monitoring agent required by the MDRP/Bank and failed to provide the interim external monitoring agent with the information it needed to oversee CGFDR activities. It also sought to prevent the hiring of CelPay to administer TSA payments, although this may have been as much to delay the entire DDR process as to avoid fiduciary controls. Ultimately the government was convinced to dismantle the CGFDR, hire KPMG to oversee financial management and procurement, and sign an agreement with CelPay. Arriving at this point took, however, some nine months and required the intervention of senior bilateral government and UN diplomats and World Bank officials.

Liberia

80. In Liberia, the bulk of international support for DDR has been delivered through UNMIL and a UNDP directly executed trust fund. Bilateral financing has been executed by non-Liberian government entities as well. The Executive Director of the NCDDRR

³⁵ In the past, Bank staff have stated that because of the large sums of money involved, DDR trust funds administered by the Bank need to apply normal Bank trust fund regulations, rather than those governing the Post-Conflict Fund. It is not clear, however, why the Special Projects window of the MDRP, which deals with smaller amounts of money than the National Program window, could not have run according to LICUS trust fund regulations. Since all of the organizations receiving Special Projects funding in DRC are either UN agencies or international NGOs with their own auditing procedures, an acceptable level of accountability should be expected.

has only a small budget at his disposal.³⁶ The issue of fiduciary responsibility thus falls primarily on UNMIL and UNDP. UNDP recently went through a standard UNDP process and financial audit and at the time of writing was reviewing the organizations financed through the DDR Trust Fund. UNMIL's accounts will eventually be audited, as will those of other UN agencies such as UNICEF, WFP and WHO that participated in the DDR process. When the DDR process is completed and all accounts have been audited, it may be possible to determine whether what UNDP/Monrovia has characterized as its less stringent regulation of implementing partners produces significantly different results in terms of financial accountability than the Bank's regulations.³⁷

81. The main problem in Liberia regarding the responsible use of resources, however, is probably not whether the mission and the agencies can account accurately for the use of the money they received. It relates to UNMIL's approach to DDR and the implications that had for the effective and efficient use of resources by the mission and the UN agencies. As described above, the UNMIL budget for disarmament and demobilization was developed in a highly non-transparent manner. Because the mission budget excluded key demobilization-related activities, UNDP was put in the position of needing to rapidly raise money for these activities and ended up using money that had been donated to the DDR Trust Fund by donors who had intended their contributions to support reintegration.

82. When disarmament began on December 7, 2003, none of the systems necessary for identifying and tracking ex-combatants were in place.³⁸ Names were recorded on paper, but there was no means of associating names with a particular individual, such as a photo identification card linked to a computerized database. It is not impossible that some of the 13,000 people who were disarmed and demobilized between December 7 and December 15, 2003 presented themselves for disarmament and demobilization a second time after April 15, 2004. A small number are known to have tried to receive both DDR benefits and pensions from the AFL. It is also possible that some of the individuals who were informally demobilized in 1996-1997 also sought to benefit from the current DDR process. UNMIL also showed no regard for the total cost of "disarming" over 100,000 individuals. UNDP was put in the position of having to raise some US\$ 16 m. additional in voluntary contributions (over its original costing for

³⁶ The UNDP-executed DDR MDTF has provided the NCDDR Coordination Office, headed by the NCDDR Executive Director, with support to implement two specific DDR-related activities, including counseling and referral services to ex-combatants. Additionally, the NCDDR Coordination Office has received an unspecified amount of funding directly from the NTGL. According to its Executive Director, the NCDDR had some 270 staff in mid-2005. According to the NCDDR Executive Director, the DDR MDTF covers the salaries of 96 NCDDR staff members. Authors' interviews, Monrovia, June-July 2005.

UNDP recently made a formal request to the NTGL for information on the financing it has provided for all DDR components.

³⁷ Any comparison would have to take into account differences between Liberia and DRC that might affect outcomes.

³⁸ According to a senior UN official, this was because UNMIL felt that combatants wanted to disarm and that it was therefore feasible to omit key stages of the disarmament and demobilization process, such as cantonment. Authors' interview, Monrovia, July 2005.

38,000 beneficiaries) and reduce the level of benefits for the beneficiaries.³⁹

III.5 Impact of Funding Modalities on DDR Outcomes

83. The impact of funding modalities on DDR outcomes can be measured in a number of ways. This section examines the extent to which funding modalities 1) support the national program; 2) support the timely delivery of resources; and 3) promote national leadership and responsibility.

III.5.a. Support national program

84. As Box 3.7 demonstrates, DDR programs typically combine different funding modalities. In principle, centralizing financial support through a multilateral funding instrument (UN mission budget and/or a multi-donor trust fund) promotes adherence to the national program. However, it does not guarantee adherence. Bilateral donors, UN agencies and international NGOs can finance and implement projects outside the national framework and the multilateral instruments can, themselves, carry out their activities in ways that undermine the national program.

DRC

85. In DRC, the multi-donor trust fund has directed the majority of the resources provided for DDR toward implementing the national program. Bilateral donors and others have largely supported the national program. International actors also sought to address the problem of spontaneous disarmament and the disarmament and demobilization of Ituri militias in a manner that would not prejudice the national program. The delays that have been experienced in DRC in developing and implementing the PN-DDR have not arisen primarily from the funding instruments that donors have chosen to employ but from the unwillingness of the Congolese parties to proceed with DDR as planned.

86. Nonetheless, there has been dissatisfaction on the part of some MDRP donor partners with the way in which the MDRP and the World Bank have addressed the roadblocks created by the Congolese parties, particularly during 2004. It has been suggested that the Bank is not sufficiently adept at dealing with the highly political environment that characterizes conflict-affected countries, particularly when there are multiple parties to the conflict. It has also been suggested that normal Bank procedures are not entirely appropriate for post-conflict environments. To outsiders, there appears to be some truth in both statements. With regard to Bank procedures, the Bank practice of taking action based on government requests only plays into the hands of officials that do not want a program to move forward. Similarly, the preference for non-resident technical support to the MDRP has reduced the effectiveness of those MDRP staff on the ground. However, the MDRP has recognized these problems and taken steps to correct them. The broader question is whether what has been learned in the DRC will

³⁹ Problems likely to arise from the absence of such programs had been made clear to UNMIL both orally and in writing prior to the start-up of the DD process in December 2003. Authors' interviews, Monrovia, June-July 2005.

affect future Bank work in similar settings.

87. In terms of the Bank's ability to work effectively in highly politicized environments, Bank officials have conceded that they were perhaps a bit slow in understanding the extent to which the Congolese authorities were actively seeking to block progress on DDR. It is very difficult for outsiders to evaluate whether the Bank was wrong in first attempting to resolve the CGFDR problem directly with the government or if the Bank waited too long for the government to respond. Ambassadors cannot and should not be brought into every problem that arises and it is not a simple matter to determine when a presidential undertaking cannot be relied upon.⁴⁰ The MDRP midterm review stated time and again that MDRP donor partners have placed an unreasonable burden on the MDRP and the Bank to achieve political results. Additionally, MONUC has played a minimal political role in supporting the DDR process. Again, the broader question is what the different institutional actors have learned from this experience.

88. That said, the Bank exhibits an institutional reluctance to include in their country teams individuals with strong skills in political analysis and adequate stature to engage with key political figures on the ground who are tasked to provide real-time political analysis. While many Bank staff understand the political environment in which they are working extremely well, they nonetheless can miss critical opportunities to engage because they are busy doing their main jobs. What is more, the MDRP has thus far missed a chance to take advantage of the perception within the Bank that MDRP is not "real Bank" and acquire an individual with strong political skills and terms of reference designed to support the work of the technical team by keeping a finger on the political pulse of the DRC.

Liberia

89. In Liberia, UNMIL initially bypassed the national program with its decision to start disarmament and demobilization on December 7, 2003, well before an adequate number of UN troops were on the ground or before all necessary components of a DDR program were in place. Additionally, the criteria for program eligibility and the application of these criteria turned the DDRR program into a weapon buy-back program and significantly inflated the number of beneficiaries, causing problems with the bilateral donors who have had to finance the reintegration portion of the national program. UNMIL sought to justify both actions on the grounds of needing to quickly reduce the number of guns and ammunition in circulation in a situation where the security situation was extremely fragile. To outsiders, however, it is strange that UNMIL did not even attempt to engage the factions in political negotiations to help stabilize the security environment until more blue helmets could be fielded and the DDRR machinery was

⁴⁰ It is worth noting that once the full weight of the international community was brought to bear on President Kabila to resolve the problem created by CGFDR, it took some three months for responsibility for financial matters to be transferred to CONADER.

operational.⁴¹

III.5.b Promote timely delivery of resources

Trust funds and mission budget

90. In both Liberia and DRC, there have been issues relating to the timely delivery of resources from the main sources of funding.

91. **Liberia.** In Liberia, the UNMIL budget was not formulated to include all aspects of demobilization. Additionally, the vast increase in program beneficiaries that resulted from the disarmament and demobilization process increased the amount of money necessary for reintegration. In both cases, voluntary contributions had to pick up the slack. Immediately after the failed disarmament process in December 2003, the bilateral donors expressed reservations about the UN's ability to manage the DDR process and were slow to contribute to the UNDP DDRR trust fund. As the numbers of demobilized continued to rise, and as some of the trust fund contributions were diverted to support demobilization, funding gaps arose that delayed reintegration activities. At the end of August 2005, there was still a gap of some US\$10 m. between program needs and funds pledged.⁴²

92. **DRC.** World Bank administered trust funds have a reputation for coming on line slowly. As discussed in section III.4, the negotiations between the Bank and the international agencies that were to execute Special Projects activities were lengthy. It took UNICEF in DRC some 18 months to receive money once the decision was made to apply to the MDRP Special Projects window for support.⁴³ It took approximately 12 months for the agreement with UNDP to be signed. In the end, the drawn out process of agreeing MOUs to govern the Special Projects and approval of Special Projects activities did not prevent UNICEF, UNDP or Save the Children (UK) from carrying out their work in a timely fashion, because they were able to find bridging financing to tide them over until MDRP funds were available. Had these organizations not been able to find bridging money, their work would have been delayed.⁴⁴ This experience points up

⁴¹ It is interesting to note that despite UNMIL's concerns about the security situation, which certainly were well-grounded, there were no serious security breaches in the period between December 15, 2003 and April 15, 2004 when the revised DDRR program got under way.

⁴² There were also times when there was adequate money in the Trust Fund, but because most NGO capacity was focused on addressing emergency needs and there had not been sufficient time, capacity or security, to get on the ground and plan rehabilitation and reintegration activities, viable project applications were lacking.

⁴³ In deciding to apply for MDRP funding, UNICEF had assumed that existing agreements with the Bank would provide the basis for concluding an agreement with MDRP. However, because these agreements were with the Post Conflict Fund, and not a multi-donor trust fund, a new agreement had to be negotiated. Authors' interviews, June-July 2005.

⁴⁴ These were the three organizations receiving Special Projects funding in DRC interviewed for this report. Based on MDRP quarterly reports (<http://www.mdrp.org/report.htm>), projects proposed by other recipients of Special Projects funding in the DRC did undergo lengthy vetting processes for quality, but it is not known if these other groups also underwent lengthy negotiations with the Bank about the audit and procurement procedures governing their grants.

a need for a DDR rapid response mechanism of some sort as early as possible in a peace process funded from quick disbursing mechanisms.⁴⁵ It also points up the need for pre-existing agreements on grant procedures between the World Bank and other major international actors active in post-conflict activities. It appears that the MOUs signed between the Bank and UNICEF and the Bank and UNDP provide a format for future agreements with the Bank involving multi-donor trust funds. Both organizations should be more familiar with Bank procedures in the future as well.

93. With regard to the national program, the delays do not appear to relate to the lack of availability of MDRP money. As discussed throughout this report, they have been due to a range of other factors, primarily the unwillingness of Congolese actors to see the DDR process move forward.⁴⁶ The Bank provided US\$1.3 m. through the project preparation fund in January 2004, before the Bank approved the IDA loan. That loan was approved in May 2004, some 6-8 weeks after the head of CONADER was appointed. When the Bank effectiveness criteria had been met in November 2004, the MDRP disbursed some US\$5.4 m. World Bank and MDRP staff had to exert pressure on CGFDR to make some of that money available to CONADER. As discussed in the previous section, where the MDRP/World Bank may have contributed to the delay in program implementation was by their failure to recognize the Transitional Government's delaying tactics during mid-2004 for what they were.

Constraints on the use of funding

94. Another factor that has the potential to influence the timely delivery of resources is the constraints on how funding from different sources is used. In both Liberia and DRC, these have definitely created challenges but not necessarily delays.

95. **DRC.** In DRC, one of the main constraints on the use of World Bank funds and funds administered by the Bank is the inability to use these to finance activities involving military personnel. As discussed earlier, because of the linkage between military integration and DDR, lack of funding was contributing to delays in military integration. During the drafting of the PN-DDR, an innovative solution to at least part of the funding problem was developed – the *tronc commun*. Suspending the military status of combatants while they proceed through the *tronc commun* activities enables MDRP funds to be used for activities associated with army reform or SSR, and helps eliminate

⁴⁵ Although there was a UN peacekeeping operation on the ground, it was not at that time providing support for demobilization of children associated with the fighting forces. As best as is known, the issue of children is not being addressed as part of the discussion of broadening the scope of DDR activities that can be paid for through the assessed contributions. Even if it were, that would not solve the problem of UNICEF and other child protection agencies that are active during conflicts and in the immediate post-war period prior to the arrival of any mandated UN peacekeeping operation.

⁴⁶ According to the MDRP Midterm Evaluation, para. 48, p. 11: "The main problem [*sic*] were the delays the MDRP Secretariat experienced in getting concrete activities started [both Special Projects and National Program]. It should be clear from the onset, however, that the causes for these delays lay for the most part outside of the control of the Secretariat: lack of progress on the political front in various national and regional settings, lack of political commitment on the part of parties to the conflicts, the limits and delays inherent to capacity-building, delays triggered by World Bank administrative procedures and requirements, and the lack of pre-negotiated framework agreements with UN partners."

at least part of the blockage to military integration and hence DDR.

96. **Liberia.** In Liberia, the decision to have the UNMIL budget pay for TSAs arose out of bilateral donors' concerns that these payments would be construed as exchanging money for guns, and would therefore more appropriately be paid by the UN mission. A suggestion to follow the Mozambique example, whereby salary supplements were paid to ex-combatants only after their return to their home communities, was rejected because it was felt that the necessary infrastructure does not exist in Liberia's rural areas. There was no suggestion that anyone involved in the DDRR program in Liberia sought to determine whether the procedure to be used in DRC – giving a commercial cell phone company a contract to deliver TSA payments via a cell phone payment system – would be feasible in Liberia. The MDRP in DRC also considered using churches or non-governmental agencies but decided that the CelPay option was preferable. Again there was no indication that this option was considered in Liberia. In the event, both the timing of the payments and the UNMIL's approach to disarmament and demobilization justified the donors' concerns. However, it is at least worth considering if the apparent failure to consider alternatives that would have separated the payment of TSAs time- and location-wise from the disarmament and demobilization process did not contribute to this outcome.⁴⁷

III.5.c Promotion of national leadership and responsibility

97. National actors and institutions should assume the leadership of and political responsibility for DDR processes. This means that national actors – including national governments, the former armed opposition and members of civil society – assume the responsibility for decisions about objectives, policies, strategies, program design, and implementation modalities. It does not require management of resources but will be enhanced to the extent that a national entity has some degree of responsibility for DDR financial management. It also does not necessarily imply local capacity to implement activities (Box 3.9). It does, however, require the political will to move forward with a peace process.

Liberia

98. As explained in section III.4, there was general agreement within the international community that no external financing should be channeled through the NTGL. However, UNMIL also kept a firm control over the DDRR decision-making process during the disarmament and demobilization phase. National actors had very little to say about program objectives, policies, strategies, program design or implementation modalities. When responsibility for DDRR within UNMIL was shifted to the Deputy SRSG for Humanitarian Affairs following the termination of the disarmament and demobilization phase, there was greater involvement of national actors in decisions about the strategic direction of rehabilitation and reintegration and specific projects to be supported. NCDDRR staff are also essentially running the counseling and referral service. This indicates that it is possible for national actors to have responsibility for

⁴⁷ In DRC, this has not been an issue because the national body is responsible for paying the TSAs and the bulk of the payments will be made in their areas of settlement.

Box 3.9. National Ownership: “A sword that cuts both ways.”

“It is hard to know which way is better. If you accept the premise that this DDR issue is so important as to require \$200m and a huge donor effort plus payments of three times the annual average GDP to ex-combatants plus other services – then the conclusion is that the results are more important than the process of getting the results. Get the results by getting outsiders in and getting the process going. But you can make a very good case for Congolese involvement. CONADER did something very clever, that they didn’t have to do: They are outsourcing most things, not trying to do it themselves. This is smart. DDR is basically a nice way of buying guns, removing a threat, paying people off so that they will leave the rest of the people alone. You need to get it done as quickly and efficiently as possible. So this is one of those cases where outsiders should not be calling all the shots but doing most of planning and implementation, with full buy-in of the people who count, that is, the top level of government and the villagers, the people who have suffered. Don’t pay too much attention to the needs of mid-level bureaucrats who aren’t going to contribute much but want to be near the process to siphon money off.”

Source: Authors’ interviews, Kinshasa, June 2005.

important program decisions without the responsibility for managing a significant amount of financial resources.

DRC

99. In DRC, the MDRP has followed the World Bank practice of giving national governments a good deal of responsibility for managing programs and money. Whereas many international actors that have been engaged in DDR in Liberia would agree that UNMIL was too restrictive in terms of local participation in disarmament and demobilization, there is a sense among some that MDRP has been too liberal in DRC. To the team, it does not appear that the MDRP has erred in allowing national actors make key policy and programmatic decisions, or even necessarily to manage the money. Where MDRP has been weak is in responding to the political challenge of a “partner” that is not particularly interested in implementing either the peace process and, by extension, the DDR process.

100. That said, while MDRP and the Bank may not have been sufficiently proactive in addressing the CGFDR problem in the second half of 2004, CGFDR was not a problem that was going to be solved rapidly under any circumstances, as the international community discovered in the first half of 2005. With the dissolution of CGFDR, MDRP is now in a position to push CONADER to move forward on the technical side of DDR. However, unless the international community (not just MDRP, not just the Bank) convinces the Transitional Government to take critical decisions to unblock the entire political transition process, the technical progress that CONADER is beginning to make will not produce a successful DDR process.

National leadership/responsibility versus national capacity

101. It is clear from discussions in both DRC and Liberia that there continues to be a serious confusion within the international community between capacity building and

national leadership and responsibility.⁴⁸ It was not uncommon to hear international actors ascribe the lack of national leadership and responsibility in Liberia or concerns about national leadership and responsibility in DRC to a lack of national capacity. In understanding how to promote national leadership and responsibility, it is essential to understand that national actors always have the capacity to make decisions, although they may require technical support to do so.

102. Conflict-affected countries typically enter the period of peace accord implementation with severely eroded human and institutional capacity. Since DDR programs run for two to three years, there is limited opportunity for significant capacity building. However, in the short term, it is always possible to supplement local capacity and most recent DDR programs have relied on technical assistance (TA) for both program development and implementation.

103. **Technical assistance.** Technical assistance has played an important role in both DRC and Liberia. However, the experience with this technical assistance has been mixed. In DRC, early technical assistance for program development was provided by DFID (through UNDP), UNDP and Belgium, while USAID provided early technical support to CONADER. Despite initial resistance, CONADER began to hire additional technical support during 2005, including KPMG to provide financial management and procurement services, CelPay to pay the TSAs, and bodies such as UNDP, Caritas Developpement, and ICG to manage the COs. At the same time, CONADER staff have argued that donors have the responsibility to ensure that governments receive the kind of TA they require. They noted that both the World Bank and the MDRP partners provided minimal support to CONADER to find consultants for important posts such as operations manager, reintegration consultant, monitoring and evaluation consultant, despite the fact that the Bank and MDRP Secretariat have a roster of DDR consultants. In Liberia, UNDP provided experienced technical assistance to develop the October 2003 strategic DDR framework, the February 2004 JOP, and the April 2004 reintegration framework.⁴⁹ The Joint Implementation Unit for DDR has also provided support to the NCDDRR for program implementation.

104. The experience in both countries strongly supports the view that simply placing a consultant in an organization does not guarantee that the consultant will be effective. To some extent, the problems experienced with TA in both countries related to weaknesses in the TA itself, for example relating to local experience, language fluency or DDR experience. Additionally, much of the early TA for program development encountered serious problems of client receptiveness. In the DRC, the TA provided by DFID came at a time when the TG had recently been created and was in a fluid state. The Belgian TA in contrast carried the confidence and weight of the Belgian government and came on stream at a time when the international community in general was pressuring for progress. TA in DRC continues to experience problems with the political environment. In Liberia, UNMIL accepted a portion of the strategic framework

⁴⁸ This is probably a reflection of the different definitions of “national ownership” employed in the international community. See footnote 3 above.

⁴⁹ This, of course, was primarily technical assistance to UNMIL, rather than to the NTGL.

developed with UNDP technical advice but ignored important aspects of that advice, with the results described elsewhere in this report.

105. In DRC, the TA situated inside CONADER that has reportedly been most successful is TA that provides a tangible benefit for the individuals receiving it. One example provided was of a consultant who has supplied CONADER staff with ready-made deliverables that facilitate work such as draft terms of reference, standard contracts and the like. Other TA that has been able to provide less concrete support has been marginalized.

National leadership/responsibility versus speedy implementation

106. It is also clear that the desire for rapid implementation affects views on the feasibility or desirability of national leadership and responsibility. One of the reasons why UNMIL bypassed the NCDDRR was the concern that engaging with national actors would slow down the DDR process (Box 3.10). Keeping the peace process moving rapidly was said to be a major preoccupation of the SRSG and his closest colleagues. In DRC, there is a perception among at least some members of the international community that MDRP's approach has slowed the DDR process.⁵⁰ The MDRP midterm evaluation argues that delays are largely caused by the unwillingness of Congolese actors to see the peace process as a whole move forward. This strongly suggests that a directly executed DDR process with minimal national participation would not have succeeded in unblocking the political process in DRC. In contrast, UNMIL's decision to initially bypass Liberian actors clearly had an effect on the UN's ability to execute the disarmament and demobilization phase on its own timetable.

Box 3.10. Rapid Implementation of DDR

"People wanted to have DDR over and done with. It is complex and difficult and the international community wanted it over."

Source: Authors' interview, Monrovia, June 2005.

IV. ASSESSMENT OF FINDINGS

107. Drawing on the case study findings as well as broader lessons from other DDR processes, three key issues will be examined which have implications for the financing of DDR processes:

- Anchoring DDR in wider security transformation processes
- Harmonization and alignment of external assistance
- Funding DDR

⁵⁰ In Burundi, the MDRP faced considerable pressure from other donors to compel the Burundi authorities to approve the national DDR plan. The MDRP, however, judged that the parties were not yet at the stage where they were able to effectively implement a DDR process, and resisted this pressure. Eventually, as mutual confidence among the parties increased, the national plan was approved, and the size of the anticipated DDR caseload dropped by some 50 percent. Authors' interviews, September 2005.

IV.1 Anchoring DDR in Wider Security Transformation Processes

108. Following wars, DDR processes can serve a number of important functions essential for consolidating the peace, which include breaking the control of commanders over their fighters, reintegrating ex-combatants into peacetime society, and ensuring that vulnerable combatant groups such as women and children receive the special protection they require. While the “security” function is usually the most pressing priority in the immediate post-war period, and the primary focus of international assistance, there are often unrealistic expectations about what DDR on its own can achieve in this area. To the extent that DDR can make it more difficult for opposing parties to resume fighting if the peace breaks down, this can help to buy time for other pro-peace initiatives to kick-in. But DDR cannot substitute for political will on the part of former adversaries to implement a peace settlement or for the restoration state capacity to provide security.

109. Whereas DDR is one area in which it is essential that linkages between security, development and diplomacy are made effectively, DDR programs are often conceived of and developed as a discrete project with relatively weak linkages to the political and security components of war-to-peace transitions. The weak linkages are a consequence of a number of factors, including 1) the imperative to consolidate the peace following a political settlement and an assumption that rapid DDR will lead to tangible security improvements; 2) donor reluctance to become involved with and finance wider security reforms which are seen as the responsibility of either the host government or international security counterparts; and 3) the difficulty during the context of peace negotiations of achieving agreement between former adversaries on more comprehensive SSR due to the sensitivity and complexity of the reforms this implies. They are also a consequence of failing to engage adequately all relevant actors both nationally and internationally and of the difficulty in reconciling the different objectives that these actors generally bring to the table.

110. Following the formal ending of armed conflicts, there are three inter-linked strategic priorities for transforming the security environment: 1) maintaining political dialogue between the various parties to a political settlement; 2) ensuring that parties do not have the wherewithal to resume fighting if the dialogue breaks down; and 3) restoring the capacity of legitimate state authorities to provide for security across the national territory.

111. The failure to anchor DDR adequately in a security transformation framework can subsequently pose problems for the implementation of DDR, wider security reforms, and the peace process itself. The problems which arise may include the emergence of a security void following DDR if there are not sufficient state forces or international peacekeepers available to secure a country; the lack of sufficient funding and technical support to promote other strategic priorities related to the security transformation process; and the possibility that a narrow focus on DDR is used by members of a post-war power-sharing arrangement as a means to evade their responsibilities to provide security for the population.

112. In countries where armed conflicts come to a negotiated end of one form or

another, which is the case for the majority of DDR processes supported by the international community, a security transformation process should be effectively anchored in the peace settlement. This provides a legal framework for the political and security commitments that all parties need to adhere to if peace is to be consolidated. To the extent that a peace agreement spells out where responsibility lies to manage the process, the linkages between DDR, military integration, and wider security sector restructuring or reform, and the procedures to be followed to implement these activities, this will provide a stronger basis for the operational planning which follows.

113. In practice, however, peace agreements are frequently vague about how these commitments will be implemented and, in particular, the sequencing of different activities. Warring parties are often under pressure to reach a political settlement rapidly, which may preclude adequate discussion on the details of implementation. The feeling is usually that it is better to sign now and work out the details later. While this is perhaps inevitable where conditions are not conducive to prolonged negotiations, at the very least peace agreements should make explicit provisions for the establishment of the mechanisms for resolving outstanding issues, and the international sponsors of a peace process should commit themselves to ensuring this discussion occurs. In the absence of agreement among parties on the general road-map to be followed, there is a risk that decisions will be made in an ad hoc manner, or not at all.

114. There is frequently an assumption, for instance, that DDR should kick-start the process even though this might not be a priority either for the parties to a peace settlement or in terms of transforming the security environment. Where there has not been a negotiated solution to a conflict or where the peace is contested, the first priority from a security perspective is to ensure effective command and control over the armed forces of the warring parties. DDR processes can go some way to breaking the links between commanders and soldiers, though it is often those groups that have the greatest humanitarian needs rather than those who pose the greatest security threat who are typically targeted first: women, children and the infirm. This is not to minimize the importance of the protection agenda, but rather to underscore the risk of a relapse in violence or continued insecurity if those who have the capacity to undermine the peace are not also targeted.

115. Furthermore, the reality is that even where male combatants are disarmed and demobilized, short of their full reintegration into peacetime society – an objective typically only achieved for a limited number of ex-combatants – they will continue to pose a potential threat to the peace unless new arrangements can be made for ensuring effective control over them. Integration of factional forces into new state security services may thus serve the dual objective of helping to rebuild state security capacity and centralizing control over potentially disruptive groups of ex-combatants. Alternative “holding options” such as youth brigades could also be considered.

116. The fact that international funding and attention is typically skewed towards DDR processes reflects a number of factors including the lack of a comprehensive assessment of security transformation needs, restrictions many donors face in providing support for activities linked to military integration, and a desire to achieve rapid improvements in the security environment – usually measured in terms of the number of

combatants that are disarmed. Yet it is evident from the experiences of Liberia, where the disarmament and demobilization process is more or less complete, and DRC, where it is just getting underway, that the security benefits of disarmament are not as broad-based as would have been hoped for, or sustainable. In part this is because the number of weapons typically collected during a post-conflict DDR process accounts for only a small proportion of the weapons in circulation, and because the porosity of national borders in many conflict areas makes it easy to acquire new weapons.

117. In the immediate period following a peace settlement there are a range of steps that need to be taken to minimize the chances of a relapse into violence. DDR is one of those, but it should be seen as a component of the wider restructuring of the security sector required to build sustainable security and not necessarily the first or top priority. This in turn also suggests that donors need to start by asking what are those elements of the security transformation process that, if not funded, will lead to a collapse in the peace process. Approaches need to be tailored to specific countries.

118. Where DDR needs to be proceeded or accompanied by some form of integration or restructuring of security forces, this has a number of important implications for donors that support DDR:

- ❑ First, it is imperative that there is adequate discussion at the negotiation stage regarding the timing and sequencing of these activities; advance work in developing an operational framework for DDR – important as this may be to get things moving – should not preclude a frank discussion on whether DDR should precede, accompany or follow preliminary efforts to integrate security forces.
- ❑ Second, the relevant national and international actors from the defense and security domain need to be involved in this discussion to ensure that military and political conditions are conducive to DDR, and that the strategy being employed is consistent with plans for restructuring and reform of the security sector.
- ❑ Third, donors need to be prepared to be flexible in terms of where and how they target their financial support, recognizing that other activities may need to be funded before DDR can expect to achieved its intended objectives.

IV. 2 Harmonization and Alignment of External Assistance for DDR

119. Effective strategic planning and coordination is particularly important in countries emerging from war due to the complexity of political and development objectives, weak policy environments on the government side, and the multiplicity of actors on the donor and government side. This applies as much to the challenges of linking DDR, peace processes, and wider security reforms, as discussed above, as to the challenges of achieving harmonization and alignment within DDR programs. As both DRC and Liberia illustrate, the way that donors provide assistance for DDR affects the broader goal of maximizing aid effectiveness in war-to-peace transitions.

120. The use of MDTFs in both countries has opened the way to greater harmonization between the diverse, often dissimilar and overlapping, funding instruments that donors utilize. MDTFs have also done more than simply coordinate

donors, but have served strategic objectives such as helping to raise money, ensuring more equitable and efficient resource use within the DDR programmes, and reducing transaction costs. Most importantly, MDTFs have also served to build consensus among participants around a set of broad objectives and operating principles, while allowing a certain amount of flexibility for those donors who prefer to ear-mark their funds for specific activities to do this without undermining harmonization.

121. DRC and Liberia demonstrate, however, that MDTFs will not necessarily ensure that donor assistance is aligned with government needs and priorities unless they are effectively anchored within some form of strategic operational framework through which donors coordinate their analysis, strategies and disbursements with recipient governments. Whether effective alignment is achieved in practice depends on the degree to which a government has a stake both in the development and implementation of strategic frameworks for DDR. This in turn is a function of both the capacity and inclination of governments to participate and whether this opportunity is afforded them by donors who generally take the lead in implementing DDR programs.

122. DRC and Liberia have had contrasting experiences in this regard. Both countries underscore that it is more challenging to involve governments in a meaningful way in the implementation of DDR when state institutional capacity is weak and when power-sharing arrangements bring together former enemies who find cooperation difficult. In DRC the parties have been extremely reluctant to see the size of their forces reduced, as a consequence of which ownership of the process was weak from the start. In Liberia, despite the fragility of the peace accord, the parties were willing to go ahead with DDR in return for political posts in government and due to an expectation that their supporters would be able to benefit financially from the DDR program.

123. While conditions were therefore not conducive from the start to achieving national leadership of and responsibility for DDR programs in DRC and Liberia, the policies pursued by international actors did not often favor this either. There are a number of factors on the donor side which militate against government involvement in the development and implementation of strategic frameworks, all of which were in evidence in DRC and Liberia: 1) the perceived urgency to launch DDR processes when wars come to an end, as a consequence of which work on developing plans for DDR are often launched by donors before wars come to an end and there is a legitimate national partner; 2) a strong view among many donors that DDR is not a capacity-building activity which, combined with the view that DDR can provide a rapid security gain following wars, results in a reliance on international technical experts to develop DDR frameworks to the exclusion of national actors; and 3) the lack of consensus within the donor community on who is best-placed to lead on DDR work which can result in intense competition among donors and the development of a number of competing DDR frameworks.⁵¹

124. In both DRC and Liberia, the ad hoc process of developing strategic frameworks for DDR was exacerbated by the lack of an over-arching security transformation

⁵¹ These factors can be observed in most DDR processes in conflict-affected countries that have occurred since the end of the Cold War.

framework. Such frameworks might have allowed key issues relating to the sequencing of DDR with military integration, and wider security sector restructuring and reform, to have been more carefully considered. They would also have forced donors to give more serious consideration to the implications of different financing decisions, particularly the decision to channel assistance primarily to DDR while largely overlooking the needs of military integration and reform. This decision has rebounded on donors who are currently searching for additional funds in both DRC and Liberia to fund military integration and wider SSR. This oversight stems in large part from the reluctance or inability of donors to accept financial responsibility for any security-related activity beyond DDR, as a consequence of which unrealistic expectations have been placed on DDR to deliver security. A number of donors, concerned about the implications of focusing too narrowly on DDR, are re-thinking their approaches, though for others this issue still remains outside their frame of reference.

125. Both countries underscore the need for earlier and more critical reflection by donors as to whether the pre-conditions are in place for DDR to deliver the desired objectives. Such a debate would allow for greater discussion as to whether alternatives such as a military “holding option” might not better meet the objective of consolidating the peace by both breaking the command and control of factional forces and serving as a disincentive for the leaders of opposing groups to resort to arms instead of the political process to achieve their objectives. However, an earlier focus on army integration would have a number of specific financial implications for donors that would likely undermine support for this option. It is also by no means certain that in a country like DRC, where there are many different armed groups, the parties would agree to merge their forces into a national army until there was greater confidence in the political process, and the Congolese parties have, for the same reason, been reluctant to go through DDR,

126. The key risk would be that donors might be put in a position of financing the military directly for an undetermined period of time, and that there would be few resources left over to finance social integration once combatants were disarmed and demobilized. But if such a military holding option were to allow for the political process to proceed, then in the long-term this might be a more cost-effective option. Under such circumstances, donor governments might be encouraged to find non-development windows to finance a military holding option, thereby freeing up rehabilitation and development financing for social integration.⁵² The lesson for donors is that the requirements for managing the peace process should shape the mechanisms and priorities for disbursing and managing finances to ensure that key components are not overlooked. This will also require finding creative ways in which development and non-development funding can be combined to achieve desired objectives.

127. The cases of DRC and Liberia illustrate the need for an actor in the international community to champion a broader debate on this issue as well as an institutional forum where these issues can be tabled and discussed. While the UN mission would in principle appear to be the logical actor to drive this debate, in practice it is not always in

⁵² Countries like the UK and the Netherlands that have pooled resources a number of ministries have greater flexibility in this regard.

a position to do so: in the case of DRC, it lacked the will and mandate to drive this debate until the Dec 2004 Security Council Resolution calling for the establishment of the Commission Mixte Pour la Reforme du Secteur de Securite; in the case of Liberia, UNMIL focused narrowly on DDR because of both its narrow interpretation of security and its mandate which called for a DDR Action Plan to be set into motion within 30 days of the establishment of the NTGL, which encouraged the SRSG to proceed with early disarmament and demobilization. There is scope for bilateral actors to be champions for this kind of debate, as was the case of the UK in Sierra Leone, though such initiative by an individual donor may not be possible where there is significant competition between donors, as DRC illustrates.

IV.3 Funding DDR

128. Field work in Liberia and DRC confirmed that the governments and multilateral organizations which provide the resources for DDR are concerned about identifying the most effective and accountable means of delivering the right kind of money, in the right amounts, on time. There is also a strong desire for a centralized and streamlined financing system that can support a DDR process that is developed and implemented as soon as possible after the peace process begins. Additionally, field work confirmed that the multidimensional nature of DDR processes militates strongly against any one type of organization (development, peace support, diplomatic) being able to manage all the necessary functions or provide all necessary funding, though there are powerful arguments for the financing of DDR processes to be centralized in view of the multiple benefits of harmonizing and aligning external assistance. Field work also strongly suggested that while it is possible to identify a relatively limited number of funding modalities that are most useful, these modalities might be used in different combination in different situations.

IV.3.a Integrated DDR financing

129. Field work confirmed that in order to develop a financing system for DDR that integrates funding sources and instruments to meet the broad range of needs that typically emerge during a DDR process, three types of resources are required: 1) flexible, early money; 2) up-front money; and 3) voluntary money. Box 4.1 lists the sources from which these types of money have most frequently been acquired.

Flexible, early money

130. The experiences of both DRC and Liberia underscore the necessity of access to flexible, early money. Neither UN mission budgets, for those DDR processes that occur under UN peacekeeping operations, nor multi-donor trust funds become operational rapidly enough to finance critical early activities, particularly DDR planning prior to or in the immediate aftermath of a peace accord. In Liberia, UNDP's ability to disburse resources to support DDR planning was very important. Similarly for DRC, DFID's provision of TA to UNDP helped move the planning process forward right after the formation of the Transitional Government. Belgium provided additional assistance, and the World Bank was able to provide US\$1.3 m for planning at the beginning of 2004

some 5 months before its IDA grant was approved through a Project Preparation Facility. USAID's ability to provide early TA to CONADER was also important.

131. Additionally in DRC, UNDP's Rapid Response Mechanism, which was jump-started by UNDP Trac 1 funds, appears to have helped address the problem of spontaneous disarmament and provide initial support in Ituri while waiting for the national program to come on line. Similarly, USAID was able to make settlement kits available to newly demobilized combatants in Eastern Congo before CONDADER was operational. The assessment of the UNDP RRM planned for mid-2005 will provide donors with a better perspective on the strengths and weaknesses of this specific mechanism. In view of the well-established need for quick disbursing money and a growing preference for multilateral mechanisms, an RRM of some sort deserves serious consideration in future DDR processes, perhaps even as the first building block of an MDTF that could have multiple windows depending on the phase of the DDR process.

132. Both DRC and Liberia suggest that if needs are known, resources can be found through a combination of multilateral or bilateral quick-disbursing modalities.⁵³ A detailed discussion of the DDR process during peace negotiations can help clarify needs, but this did not occur in either case. Recent experience in Sudan, however,

Box 4.1. Components of an Integrated DDR Financing System

An integrated DDR financing system should operate in support of a national DDR framework that is ideally integrated into a broader security framework, and appropriately sequenced with other security sector restructuring priorities.

- **Flexible, early money**
 - Multilateral quick-disbursing funds (such as UNDP Trac 1.1.3, UNDP CPTTF, World Bank Post-Conflict Fund)
 - Bilateral quick-disbursing funds
 - National government funds
- **Up-front money**
 - UN mission budget
 - Multi-donor trust fund based on pre-commitments
- **Voluntary money, co-financing**
 - Bilateral contributions to MTDFs
 - Bilateral contributions to UN agencies
 - Contributions from UN agency/INGO core funds
 - Projects funded directly by bilateral funds and executed by donor agencies, INGOs, local NGOs, CSOs, consulting firms
 - National government contributions
 - World Bank contributions, including Project Preparation Funds
 - In-kind contributions from all sources

⁵³ Early money was not forthcoming from the government in either DRC or Liberia for reasons that relate to the timing of the planning process and the politics of the situation. However, in Sierra Leone the government did provide some early money and some bridging money, underscoring the importance of political will on the part of the national parties.

suggests that technical assistance during the negotiation process can help both the parties and the mediators to approach DDR in a realistic manner. The UK provided such support in Sudan for some two years through its Africa Conflict Prevention Pool (ACPP). The challenge was not so much to find the resources, since the financing required was relatively modest and highly qualified TA was fielded. Rather, the challenge was to specify a use for the resources that fit into accepted categories. In the end, the support to the Sudan negotiation process was characterized as “preparatory planning.” It helped that there has been strong political support in the UK for the Sudan peace process.

133. As in Liberia, DDR planning got underway for Sudan during peace negotiations, funded by the ACPP and executed by a planning cell managed by UNDP. The Sudanese negotiation process, however, lasted several years, compared with three months for Liberia. This means that it has been possible to undertake a more participatory planning process in Sudan than in Liberia. In principle, this should create greater buy-in on the part of the parties. It appears, however, that an opportunity to create buy-in on the part of potential funders was missed. Donors were only brought into the planning process after it had been underway for some two years.

134. Finally, it is important to recognize that financial resources are not the only constraint on effective early action. It is also essential to have the appropriate capacity in the lead organization. In DRC, for example, UNDP did not initially have capacity to support planning and DFID helped supply that capacity. In Liberia, UNDP was able to provide strong technical capacity for planning from the outset. Additionally, political pressure may be necessary to encourage the relevant actors to take action. In DRC, planning efforts began to make progress as the international community began to exert pressure on the government. International pressure may not always succeed. In Liberia, despite efforts by some members of the international community, UNMIL chose to proceed with an ill-advised early disarmament and demobilization process. In DRC, the TG continues to drag its feet on DDR implementation.

Up-front funding

135. Donors and implementing agencies in Liberia expressed considerable interest in up-front funding that would eliminate much of the often-difficult work of raising voluntary funding, including convincing donors to provide resources early on in the process and for activities that they may prefer not to have to finance, such as activities prior to demobilization. There are two main types of up-front funding available at present: the UN assessed budget delivered through the UN peacekeeping mission and multi-donor trust funds with pre-committed financing. Field work confirms that there are considerable advantages to up-front funding. It also confirms that there are trade-offs between the different sources of up-front funding that need to be considered.

136. UN assessed budget funds have several advantages:

- a) They spread the burden among the international community more equitably;
- b) They free up development assistance for other purposes;

- c) In principle they combine diplomatic/political, security and development competence under one roof; and
- d) They do not require donors to spend time on establishing and maintaining an MDTF.

137. The trade-offs for UN assessed budget funds as they have been used to date include:

- a) Not all DDR processes occur in countries with UN peacekeeping operations or, as in the case of DRC, in countries with peacekeeping operations that have the mandate or capacity to play an active role in DDR;
- b) In Liberia, the use of the UN mission budget to pay TSAs offered an apparently easy solution to one problem faced by donors – the desire not to use humanitarian or development assistance to reward the perpetrators of violence – but created a more serious problem – the linkage of TSAs to disarmament and the creation of a perception of DDR as a weapons buy-back scheme;
- c) Channeling resources through the UN mission budget has to date eliminated opportunities for national management of DDR resources in countries where this is an option and has in some cases undermined national leadership of and responsibility for DDR processes more generally;
- d) Tendencies to implement DDR processes rapidly may be exacerbated because of the time-bound mandates of UN missions;
- e) Integrated mission planning and execution remains at an early stage; and
- f) Assessed funding pays the operational costs of the UN mission component charged with DDR, which, in the past, has not necessarily been the best suited to plan or implement DDR processes in highly-charged political environments.

138. There are two important caveats to the above. First, the creation of integrated DDR sections to enhance integrated mission planning and implementation in Haiti and Sudan opens up space for all agencies in the field to contribute their resources, capacities and expertise toward a national DDR program. There are signs that this approach is bearing fruit, particularly in Sudan.⁵⁴ The second caveat is that the UN Secretary-General issued a note on administrative and budgetary aspects of financing DDR. The note provided the working definitions of DDR components that DPKO currently uses developing UN mission budgets in May 2005 (Annex 6). These definitions have emerged from the IDDRS process and the objective is for them to be adopted throughout the UN system. The SG's note also clarified the future use of assessed funding for DDR purposes:

While the Secretariat may continue to include operational costs related to disarmament and demobilization (including reinsertion) in the budgets of relevant

⁵⁴ At the same time, it is clear that the UN mission and all key donors need to actively promote adherence to the national plan on the part of UN agencies by conditioning the use of their funds on programs that fit into the national plan. Authors' interviews, 2005.

peacekeeping missions with a disarmament, demobilization and reintegration component, in accordance with mandates of the Security Council, financial support for reintegration will continue to be resourced through voluntary contributions and managed by the appropriate agencies, funds and programmes.⁵⁵

139. There are also pros and cons related to MDTFs with pre-committed financing. On the positive side,

- a) An MDTF with pre-committed financing can be available when there is no UN mission in a country;
- b) An MDTF with pre-committed financing is flexible in terms of execution, as government, UN agencies, INGOs, and private companies can all be brought into the mix;
- c) When managed by the World Bank, an MDTF with pre-committed financing enables World Bank money to be tapped; and
- d) This mechanism has a proven capacity to handle large sums of money in an accountable manner.

140. The trade-offs for MDRP-type MDTFs with pre-committed financing include:

- a) When managed by the World Bank, there are various constraints on tapping into the main body of the financing that can prevent rapid disbursement and affect the use of the resources;
- b) MDTFs with pre-committed financing do not spread the financing burden as widely as the UN assessed budget;
- c) MDTFs with pre-committed financing rely on development assistance funds; and
- d) The World Bank does not have political or security components at its disposal; it is often not well integrated into a UN peacekeeping operation; and were UNDP to manage an MDTF with pre-committed financing, there is no guarantee that the political and security components of the UN would support it adequately.

141. On balance, the team feels that the problems associated with UN assessed funding delivered, as at present, solely through peacekeeping mission budgets appear to be more significant than those associated with an MDTF with pre-committed financing, whether managed by UNDP or the World Bank. UNMIL probably represented an extreme case of SRSG autonomy, and it is possible that some of the problems associated with UNMIL's approach to the DDR process in Liberia could be mitigated by the adoption of integrated DDR sections within UN integrated missions. The

⁵⁵ Source: United Nations General Assembly, "Administrative and budgetary aspects of financing of the United Nations peacekeeping operations. Note by the Secretary-General," 59th Session, Fifth Committee, Agenda item 123, A/C.5/59/31, May 24, 2005, para. 3.

outcome of the work in Haiti and Sudan definitely should be followed closely for this reason. That said, the team feels that it does matter which body manages the financial and technical resources that support national DDR programs. Therefore, if the adoption of integrated DDR sections opens the way for funds allocated through the assessed budget to be managed by the appropriate body within the UN family, it seems likely that some of the more serious problems associated with recent uses of UN assessed funding for DDR would be alleviated.⁵⁶

142. Enhanced UN mission capacity delivered through an integrated DDR unit still would not eliminate the problem of how to finance the security-related components of DDR in the absence of a UN peacekeeping mission. Nor does it eliminate the need for early funding that will have to be provided prior to the approval of either a UN mission or its budget. Nor is it clear that bodies with very different views of fundamental issues such as national leadership and responsibility as DPKO, UNDP, and the World Bank would be able to collaborate effectively. Nor would it necessarily address the problems that all of these actors currently experience in dealing with DDR processes in the context of contested peace processes. However, it would eliminate the need for DPKO and the missions it supervises to attempt to acquire capacity for activities that they are not well suited to carry out, and it would support an integrated mission approach to DDR planning and implementation.

Voluntary funding/co-financing

143. While relying on an MDTF with pre-committed financing or UN assessed funding will reduce the requirement for voluntary funding/co-financing, it will not eliminate it entirely. At a minimum, additional resources would need to be raised for technical assistance to peace negotiations, early planning, and other pre-mission activities. It is likely that there will always be specialized needs that can best be met by one form of voluntary funding or another, and bilateral governments are not going to surrender entirely their ability to finance parallel projects.

144. One means of making voluntary funding more predictable and available earlier in the peace process than is usually the case would be to conduct detailed discussions of DDR during peace negotiations and conduct parallel discussions with the donors who would fund DDR. The objective would be to obtain the agreement of the parties to the conflict on a DDR process and the simultaneous agreement of the donors to finance the agreed process. Early donor involvement would help shape an approach to DDR that would both meet the core needs of the parties and reflect the resources that the international community is willing to invest in DDRI

145. Early discussions of funding requirements might also encourage the use of multilateral mechanisms to channel voluntary funding. Irrespective of how voluntary funding is channeled, the essential factor is that all funding be directed toward implementing a national program, developed to the extent possible under the leadership of national authorities. As discussed in paragraphs 132 and 133, financing from the UK made early discussions with the parties and early planning possible in Sudan, although

⁵⁶ The UN family includes, of course, the World Bank group.

an opportunity to engage other donors in the pre-peace accord planning process was missed.

IV.3.b Politics, national leadership/responsibility, and financing DDR

146. Field work confirmed yet again that the governments and organizations financing DDR ignore the political environment in which DDR occurs at their peril. DDR is not a matter of finding the “correct” program, matching it with the “correct” funding modalities and, implementing it as expeditiously as possible. Post-conflict DDR processes cannot be separated from the politics of the broader peace processes in which they occur.

147. Governments or armed factions whose forces are being demobilized often have very mixed motives for undertaking DDR, and this affects international financing of the process. Because DDR typically involves a huge cash injection into a poor, war-torn country, the parties invariably attempt to “game” the system to achieve control over how and to whom the resources are disbursed. It is inevitable that DDR will be viewed as a way of rewarding groups loyal to a particular faction, thus increasing the incentive to insert false beneficiaries into a program. The response of the international community is frequently to attempt to control the DDR process. The DRC clearly demonstrates the danger that the huge stakes involved in DDR, both in financial and political terms, create a risk that DDR will be held hostage to the political situation if national stakeholders are given too much control, including over program financing. Liberia, however, demonstrates the opposite: the problems associated with trying to eliminate national actors from the process entirely. Both demonstrate the dangers of failing to create mechanisms at the outset of a peace process that will enable the difficult political aspects to be discussed openly and some form of compromise among all stakeholder, national and international, to be agreed.

148. The way in which the political aspects of DDR financing are played out often takes the form of the debate over “national ownership,” which this report has defined as national leadership of and responsibility for DDR processes. Both DRC and Liberia demonstrate that donors are often right to be concerned that some local actors view “ownership” primarily in terms of unconstrained (and thus unaccountable) control of resources, and that they play the “national ownership” card in an attempt to force the international community to put the control of resources in national hands.

149. However, the response of at least some members of the international community to this set of conditions in DRC and Liberia indicates that they have confused the impact of the kind of political problems routinely experienced in contested peace processes on DDR with the capacity of DDR funding modalities. They also appear not to appreciate fully the roles that political and security actors need to play in supporting DDR processes. This has led to unrealistic expectations about the speed with which DDR processes can be carried out, and a tendency to blame financing instruments for delays caused by circumstances beyond the control of those managing these financing instruments. The experiences in Liberia and DRC to date show very clearly that many donors prioritize the rapid implementation of DDR processes but fail to understand that without a national environment that is conducive to the rapid development and implementation of DDR processes, it does not matter where the money to finance DDR

comes from or who manages it.

150. Rather, the international community needs to have a clear framework for assessing on a country-by-country basis whether, when and how to engage in a DDR process, rather than automatically assuming that DDR is required and that, if soldiers can be demobilized, DDR is the best or only use of their resources. This framework needs to take into account the differences in political dynamics between countries engaged in peace processes. DRC demonstrates that in some cases it may be necessary to proceed with military integration/reform at the same time as DDR, and this has implications for the allocation of donor funding. Both DRC and Liberia demonstrate that progress on DDR is linked to the internal timetable of the peace process, which is driven by the parties to the agreement, rather than by the funding timetables of donors or other members of the international community.

151. Additionally, recent experience highlights the importance of ensuring that when donors do support DDR, mechanisms for managing finances are informed by, and developed in parallel to, mechanisms for managing the peace process so that finances do not become the central incentive for parties to engage in a DDR process.

152. All of this underscores the fact that national leadership of and responsibility for DDR is a means to an important end – an effective DDR program – rather than an end in itself. There will always be trade-offs between national leadership of and responsibility for DDR and the speed and efficiency of implementation. In line with current development thinking, the best overall outcome can be achieved where there is a committed national government in the lead, but given that DDR is a time-bound process, the schedule for which must be dictated by the peace process and not vice-versa, it may not always be possible for donors to invest as much as is required in either time or resources to get a strong and committed national counterpart. That does not mean, however, that national actors should be excluded from the process. The challenge is to find the correct balance between national leadership and responsibility and timely and effective implementation.

IV.3.c Balancing national leadership/responsibility and timely and effective implementation

153. In thinking about an appropriate balance between national leadership of and responsibility for a DDR process and the timely and effective implementation of that process, it may be useful to recall several key points about the DDR process that occurred in Sierra Leone between 1996 and 2004.⁵⁷

- a) The Sierra Leone DDR process broke down in 1997, 1999 and 2000 as a consequence of the breakdown of the peace process. Progress prior to 2001 was therefore halting and subject to reverse.

⁵⁷ On the Sierra Leone DDR process, see for example, Gebreselassie Tesfamichael, Nicole Ball, and Julie Nennon, *Peace in Sierra Leone: Evaluating the Disarmament, Demobilization and Reintegration Process. The Final Evaluation of the Disarmament, Demobilization and Reintegration Program and the Trust Fund Supporting DDR*, Washington, DC: Creative Associates, October 2004.

- b) The Joint Committee on Disarmament, Demobilization and Reintegration (the Tripartite Committee) was created in 2001 to help move the DDR process forward. It included representation from government, the RUF, and the United Nations and was chaired by the SRSG. It provided a parallel political mechanism that was very important for the success of the peace process because other critical, non-DDR issues were often raised in this forum, keeping the DDR process within the context of the larger peace process.
- c) The UK played a crucial role in enhancing security, particularly after 2000, through direct military support, capacity building assistance to the UN Mission in Sierra Leone, and reform and restructuring support to both the Sierra Leone National Police and the reconstituted Sierra Leone Army. It also provided significant financial support to DDR, starting in 1996.
- d) The Sierra Leone DDR process was characterized by strong government participation in the development and implementation of the DDR program and, after the removal of Foday Sankoh from the leadership of the Revolutionary United Front (RUF), increased participation by the RUF.
- e) The National Committee on Disarmament, Demobilization and Reintegration (NCDDR) played a central role in developing and implementing the DDR program. It managed the bulk of the funds provided through the World Bank-administered multi-donor trust fund.⁵⁸
- f) The NDCCR had two executive directors, both Sierra Leone nationals. Despite his close ties to the government, the second executive director in particular developed a strong reputation for evenhandedness.
- g) While the DDR process in Sierra Leone is correctly characterized as a successful government-led national program, the NCDDR enjoyed considerable technical support from the international community throughout the entire process.
- h) What is more, while the NCDDR managed trust fund money, there was close oversight by a financial management and procurement unit, run by Price Waterhouse Cooper, and the funds themselves did not go through the Sierra Leone Treasury system, but were put into a special bank account.

154. Taken together, the three African post-conflict DDR processes suggest elements of a balanced approach to national leadership/responsibility and timely and effective implementation.

- ❑ Because DDR processes in post-conflict environments with negotiated settlements are complex and difficult and enmeshed in the politics of post-conflict reconciliation, they will not be implemented rapidly and are subject to reversal. Trying to make them move faster by marginalizing local actors is counter-productive. While it may be possible to speed the process when the international community takes over major responsibility for making key decisions, buy-in from critical local stakeholders will be greater if more time is

⁵⁸ This was the first time that the World Bank had administered an MDTF for DDR with dual management.

invested in enabling local participation. Without the buy-in from key local stakeholders, DDR will not succeed in the long-term.

- ❑ National leadership/responsibility (“national ownership”) does not mean leaving local stakeholders entirely to their own devices. In some cases political will to proceed with DDR may be lacking; in other cases capacity gaps will slow the process. Often both problems co-exist. In general, it would be useful to think in terms of fostering political will and supplementing national capacity.
- ❑ As suggested throughout this paper, political will is best fostered by robust political and security mechanisms, particularly a senior-level political forum along the lines of the Tripartite Committee in Sierra Leone. This forum will also provide the international community with a means of carefully monitoring the situation to determine whether any delays experienced on the part of national actors rises out of the normal disorganization of conflict-affected countries or is due to an active intent to delay the DDR process. The remedy applied can then be appropriate to the situation.
- ❑ In order to supplement national capacity to develop an approach to DDR and implement the DDR program, the international community should think in terms of providing:
 - a) Early technical assistance during peace negotiations for both the parties and the mediators and in support of the development of a national DDR program.
 - b) Support in four core management areas as early in the process as feasible:
 - 1) financial management and procurement; 2) logistics; 3) payment of TSA; and 4) operations management.

Providing this type of assistance and support enables the national stakeholders to play a central role in developing and implementing the DDR program and promotes the most timely and effective process feasible under prevailing conditions.

155. The experience in these three countries further suggests that when providing technical assistance, it is essential

- ❑ to have people knowledgeable about the technicalities of DDR engaged in developing national programs;
- ❑ to provide context-appropriate assistance;
- ❑ to provide assistance in a manner acceptable to all stakeholders and supportive of the development of compromise and consensus; and
- ❑ to recognize that technical assistance in and of itself is not the solution to problems confronting DDR processes.

IV.3.d Learning to work together

156. Finally, field work also confirms that, sadly, issues of institutional and personal

turf continue to affect external support for DDR processes. Some of the most serious disagreements in Liberia and DRC involved DPKO, UNMIL, UNDP, the World Bank and MDRP in various combinations. Although the institutions and individuals involved appear to have more or less successfully moved beyond these disputes, the memory of these disagreements over managing money and lead agency status lingers both within the international community and among national stakeholders in both countries. What is more, there is no guarantee that similar battles will not erupt in the future. It is difficult for outsiders coming in well after the fact to understand the details of these disagreements, let alone assess the merits of the positions held by of any the groups or individuals involved. What can be said with confidence, however, is that these turf battles do point up the lack of agreement about which institutions are best suited to manage DDR resources, particularly in countries with contested peace processes.

157. As indicated earlier, different funding sources and instruments need to be combined to meet the requirements of DDR in view of its multidimensional nature. At the same time, the trend toward multilateral instruments has meant that there is increased competition for the position of “lead agency” on DDR. According to the MDRP midterm review, one of the reasons why the MDRP was created and the World Bank chosen to house the Secretariat and administer the funds was that the “widespread loss of confidence in the UN’s ability to deal with violent conflict and transitions to peace” following failed peace processes during the 1990s in Angola, Somalia, Bosnia, Rwanda and elsewhere led major bilateral donors to seek an alternative to the UN for managing DDR activities.⁵⁹ This naturally set up a negative dynamic between the World Bank on the one hand, and UN departments and agencies, particularly UNDP and DPKO, on the other hand.

158. The question of which body is best suited to manage DDR resources has not been systematically explored as best as is known. What the experiences in DRC and Liberia strongly suggest, however, is that when it comes to DDR processes in countries with contested transitions to peace, neither the Bank, nor DPKO, nor UNDP is fully equipped to take the lead in the highly complex and fluid political environment that characterizes contested peace processes. Accordingly, a high level joint committee may be required to manage the process.

- DPKO is collaborating more effectively with other UN departments and agencies as a result of the IDDRS process, but it has no capacity to plan or implement DDR activities and little field experience among key staff members. In both Liberia and DRC, the UN missions’ capacity to play a strong political role was similarly weak. In Liberia, there was apparently no oversight of the first SRSG for most, if not all, of his tenure. Additionally, DPKO, and the UN peacekeeping missions it fields, continue to exhibit significant capacity gaps in terms of 1) understanding the concept of national leadership and responsibility, 2) their ability to promote national participation, 3) the necessary duration of peace processes, and 4) expertise on the reintegration component.

⁵⁹ Development Alternatives, Inc., *MDRP Midterm Review*, para. 22, p. 5. The Bank’s involvement in the MDRP was also desirable in view of its power as a major donor in the region and, hence, as a major political actor.

- ❑ UNDP's performance has been uneven. It performed well in terms of technical capacity to support planning in the critical early stages of Liberia and less well in DRC where it was the lead MDRP agency but was unable to push forward the planning process for the PN-DDR. In terms of national ownership, the level of civil society consultation around the development of the October 2003 DDR program in Liberia was weak, but UNDP consistently supported a more meaningful role for Liberian government officials in the implementation of the DDR process. In DRC, despite its designation as lead MDRP agency, it clearly did not have the political weight necessary to compel government action, and in Liberia, it was marginalized by UNMIL and seen as a subsidiary of the UN mission.⁶⁰ UNDP's support for operations in Eastern Congo was recently given a strong vote of confidence by the extension of the MDRP grant for the RRM.

- ❑ The World Bank's performance has also been uneven. It has considerable technical capacity available to it through the MDRP, but until very recently, it had not deployed sufficient capacity to the field in DRC. The donors' belief that the Bank has the ability to play a strong political role is undoubtedly correct, since all things being equal the Bank's capacity to provide resources for development is substantial and with that comes political influence. However, it is likely that the Bank's political clout is more limited in contested peace processes than in uncontested peace processes. While it is likely that the ability of any actor or group of international actors is more limited when peace processes are contested, the Bank has yet to take the necessary steps to maximize its ability to respond to political circumstances that is necessary in a country such as DRC. It has also yet to develop fully the ability to deliver relatively small amounts of money for DDR early in the peace process, in contrast to other post-conflict activities through the Post-Conflict Fund.

159. As suggested above, the advent of integrated DDR sections in integrated DDR peacekeeping missions may help to overcome some of these problems, but many of these problems are beyond the capacity of an integrated DDR section to address. It is possible that the advent of a UN Peacebuilding Commission could help mitigate the more political and higher-level problems. This will take some time and will most likely not occur if the Peacebuilding Commission operates a Peacebuilding Fund, as that will make it a player in the competition for resources within the UN rather than an impartial arbiter. Nor will it occur unless the Peacebuilding Commission is staffed by senior individuals with extensive on-the-ground experience.

160. The donors that provide the lion's share of the resources allocated to DDR in both DRC and Liberia are also largely ill-equipped to help resolve these problems. Indeed, they have often compounded the problem by maintaining that

⁶⁰ One donor interviewed for this report commented: "Does UNDP have an independent role? It is only holding the money. UNDP only has an administrative and implementing role. They execute what UNMIL decides." Authors' interview, Monrovia, June 2005.

- ❑ it is possible and even necessary to launch and complete DDR processes within a relatively short time-frame following political settlements;
- ❑ the benefits of relying primarily on external actors/experts which allows DDR to be completed in a “quick and dirty” manner outweigh what would be gained by investing in greater national ownership of the process; and
- ❑ DDR, army integration, wider security sector restructuring should occur in a linear fashion with donor attention/financing primarily directed towards the first stage of this process.

V. RECOMMENDATIONS

161. The preceding analysis provides a rather dismal picture of the capacity of the international community as a whole to finance DDR processes in the context of contested peace processes. It is all the more dismal since virtually all of the problems identified have been evident for the past decade or more, and many of them are not unique to DDR in contested peace processes but are seen in other environments as well.

162. That said, the case studies demonstrate the some important progress has been made within the international community in addressing the problems identified. The ongoing discussions about DDR – through SIDDR, through IDDRS, and at the national level among a number of key bilateral donors – indicate willingness to undertake further reforms. There are signs of great flexibility on the part of both the UN and the World Bank. The question is to what extent international actors are committed to ensuring that the financing it provides

- a) actually promotes successful DDR processes, and
- b) is designed and delivered to provide maximum benefit to the broader peace process, on which the success of DDR rests.

163. Based on the analysis presented in this paper and conversations with members of SIDDR Working Group 2 on Financing, the following recommendations emerge:

V.1 DDR Financing in a Broader Context

164. **Necessary pre-conditions.** Donor decisions on whether to support a DDR process, what kind of support to provide, and how to provide it should be based on a thorough assessment of the political and security context. It is essential to make a careful assessment of whether the pre-conditions for sustainable peace are present and what is necessary to nurture nascent political will to end an armed conflict. While DDR can serve as a mechanism for confidence-building and help strengthen the conditions for peace, it cannot substitute for political dialogue between warring parties.

165. **Ensuring funding of all security issues.** Donors should seek to target financial and technical support at those priority elements of transition processes which, if not funded, increase the risk that a peace process may collapse. Donors should ensure that in agreeing to commit resources to DDR as early as possible in a peace process so

that initial work can begin on preparing for DDR (including during peace negotiations), they should not ignore the need for planning and financing of broader security transformation.

166. **Forum for establishing a security transformation process/strategy.** As political transitions move to the peace implementation stage, there is a need for an appropriate forum where both the political and technical issues related to wider security sector restructuring and reform can be formally discussed and addressed by the relevant international and national actors.

167. **Harnessing all instruments in contested peace processes.** Key members of the international community that provide significant support to DDR processes should explore how best to ensure that the political and security arms of the international community support the financing of DDR processes in countries with contested peace processes. This would involve, for example, agreeing on the need for high-level security commissions that would support DDR implementation, agreement on the use of bilateral or multilateral security forces as necessary, and the organizational focal points for different aspects of DDR (UN mission, multi-donor trust fund, children associated with fighting forces lead agency and so on). Key international actors that should take part in these discussions include: the Office of the UN Secretary-General, DPKO, UN Department of Political Affairs, UNDP, the World Bank, UNICEF and major bilateral funders, as well as representatives of an eventual UN Peacebuilding Commission. It is important to recognize that focal points may be different in different peace processes.

V.2 Peace Negotiations

168. **Support to peace negotiations.** Donors should seek to ensure that there is adequate space and technical support for parties engaged in peace negotiations to enable them to discuss the mechanisms for effecting security transformation. While it will not always be possible to develop detailed plans during peace negotiations, there should be agreement on the mechanisms by which dialogue and planning will continue following the signing of peace settlements.

169. **Linking DDR to long-term security and development.** The linkage between DDR and long-term security and development needs to be assessed and funding arrangements secured at an early stage of the process. This will be facilitated to the extent that key international actors (diplomatic, security and development) engage in a parallel discussion on key aspects of international support for the transition, including DDR, and how DDR will be financed.

V.3 Early Program Support

170. **Early funding and technical assistance.** The international community should identify the most effective mechanisms for rapid deployment of financial and technical support at the outset of every peace process. This will help to begin to develop: 1) a concept of how DDR fits into a broad strategy for strengthening security and 2) a strategic framework for DDR. To provide a basis for increasing national leadership of and responsibility for DDR processes at the implementation stage, national actors

should be supported to take the lead in discussions about how to develop this strategy and framework. Mediators should be conversant with the strategic issues and implications of trade-offs related to DDR processes. Where necessary, technical assistance should also be provided to the mediators. Early funding and technical assistance should also be made available for program development.

V.4 Structuring DDR Financing

171. **Centralizing DDR financing.** The international community should place a high priority on agreeing methods of centralizing DDR financing through multilateral funding mechanisms linked to a national plan, ideally implemented through national institutions. Such a financing system is likely to draw on three types of financial resources: 1) flexible, early money; 2) up-front money (assessed contributions and pre-committed multi-donor trust funds); and 3) voluntary money/co-financing. The success of such an integrated funding system relies heavily on the close collaboration among different focal points, bearing in mind that these focal points may be different in different DDR processes.

172. **Multi-donor trust funds.** The international community should give serious consideration to channeling the bulk of DDR financing through a multi-donor trust fund with pre-committed financing.

173. The multi-donor trust fund should finance all necessary elements of the DDR process. Funding of security-related costs have been problematic because of, inter alia, DAC rules. At the same time, experience on the ground that flexible approaches can be found to solve these problems.

174. **Assessed contributions.** The UN should make every effort to support integrated DDR sections within integrated mission planning to provide all agencies in the field with the space to contribute their resources, capacities and expertise toward a national DDR program. In order to use assessed funds allocated for DDR as effectively and efficiently as possible, these resources should be managed by the most appropriate body within the UN family, including the World Bank group, depending on the use to which the funds are to be put and with a view to reducing transaction costs.

175. **World Bank flexibility.** The World Bank should seriously explore how to apply Post-Conflict Fund/LICUS Trust Fund regulations to early program activities, such as those currently financed through the Special Projects window of the Multi-Country Demobilization and Reintegration Program for the Greater Great Lakes Region (MDRP). The Bank could also streamline procedures for concluding MOUs with other organizations. All MOUs negotiated for the MDRP should be applicable to all future DDR processes, subject to periodic review.

176. **Managing multi-donor trust funds.** Decisions on institutional management of such multi-donor trust funds should be made on a case-by-case basis depending upon institutional competence, comparative advantage, and mandate, as well as capacity to manage resources in an accountable manner and to mobilize funds.

V.5 Improving Programming

177. **Getting the timing right.** Recognizing that countries making the war-to-peace transition have urgent security needs that must be addressed if socio-economic and political recovery efforts are to achieve their objectives, the international community should not jeopardize the success of key security-related activities such as DDR by moving too quickly. For example, it is important that donors have patience and not press for disbursement before either the political and security conditions are supportive of DDR or the technical preparations have been completed. Additionally, before starting a DDR process, the parties should be provided sufficient time to develop the necessary trust to proceed with DDR and to reveal their true force numbers to enable the most effective and efficient use of DDR resources.

178. **Spontaneous “demobilization.”** There may be instances where combatants wish to down arms before the establishment of a full-fledged national program (as happened in Eastern DRC). In these cases, receipts should be given for any arms collected in order to qualify the former combatant for future DDR programs and they should be given priority in stop gap employment programs. The benefits should not be considered either in competition with or replacing a national DDR program. Additionally, the guns collected should be registered and destroyed. Where spontaneous demobilization activities are necessary, they should be implemented in a manner consistent with such national plans as may exist or are in preparation.

179. **Avoid weapons buy-back programs.** DDR programs should be designed to avoid the perception that weapons are being exchanged for cash. While it may be more complicated to deliver TSA-type benefits after ex-combatants have left demobilization centers, the CeIPay option chosen in DRC demonstrates that creative solutions to the problem of delivering money to widely dispersed individuals in a post-conflict environment can be found.

180. **Monitoring and evaluation.** To allow for evaluations and monitoring of DDR processes as well as to measure the efficiency of financial contributions more work should be done on data collection and financial reporting of DDR processes. More transparency is also called for from all actors involved.

V.6 Personnel and Technical Assistance

181. **High-level personnel.** The United Nations urgently needs to implement its integrated mission planning system and ensure that SRSGs and other senior UN mission officials have the necessary personal and professional skills to preside over a peace process in all its aspects.

182. **Technical assistance.** In the selection of technical assistance personnel, it is important to ensure that the right mix of qualified and experienced strategists plus those with the necessary technical qualifications are employed.

Annex 1. Terms of Reference: SIDDR Working Group 2 – Phase 2 Financing Study

Background

The Swedish Government launched the Stockholm Initiative at the end of 2004 by inviting a number of key partners and agencies to examine the policy issues around DDR programmes. Working Group 2 is intended to inform the financing-related discussions.

The purpose of Phase 1 work was to collect background information on the costs of DDR processes and conduct a mapping of issues that would provide a basis for WG2 to determine the focus of subsequent work. The conclusions of Phase 1 confirmed the expectation that there are large gaps in the available information and differences in how donors classify data, making comparisons between different DDR processes or analysis of how resources are disbursed difficult. Phase 1 also highlighted the need for a better understanding of the process by which international financing for DDR processes is managed.

The purpose of Phase 2 is to carry out a deeper analysis of specific problems that the international community faces in financing DDR processes. This work, which will be case study based, will focus a number of issues: the context in which DDR occurs, methods of maximizing national ownership of DDR processes, the development of strategic DDR frameworks to guide financing, methods of maximizing the use of multilateral financing instruments, mechanisms for management, oversight and accountability, donor coordination, and the need for early financing that is both flexible and disbursed on time.

Methodology

Case studies of the DDR processes in Liberia and DRC will be used to examine these issues. These cases have been chosen because: a) both have been underway for an adequate amount of time for all portions of the DDR process to have been started; b) DRC involves a DDR process where international support is being provided through a World Bank-managed MDTF, c) Liberia is a case where the UN is leading, and d) both of the processes examined are occurring in the context of a peace support operation.

Information will be collected through a combination of field study, documentation review, and in-depth interviews with national and international community actors involved in designing, implementing and evaluating the chosen DDR processes both in the field and at headquarters.

Issues to be addressed

Case study analysis

- The broader context within which the DDR process was developed and is being implemented.* The key elements of this context include the peace process and linkages between DDR and efforts to restore state security capacity and stabilize the country.

- ❑ *Donor engagement in the DDR processes.* Key issues to be examined are how and why donors decided to engage in DDR in Liberia and DRC, how factors such as ODA eligibility, institutional mandates and their interpretation have influenced these decisions, and the extent to which donors take into account decisions to engage by other donors.
- ❑ *The degree to which the DDR process is guided by a strategic framework and how that framework was developed.* Some of the issues here will be the role of the major actors such as the UN system, national stakeholders, the World Bank, the bilateral donors, and international non-governmental organizations in developing the DDR framework.
- ❑ *Mapping of the different funding sources and modalities employed in DRC and Liberia.* Key issues will include why donors chose to use particular funding modalities, the relationship between funding modalities and programs supported, when assistance actually came on-line, whether and how different funding modalities have been sequenced, and the fiduciary requirements of different funding modalities. There are also a range of issues around the provision of technical assistance, such as the type of TA provided, its timely provision and the extent to which it supports national ownership of the DDR process. It will also be important to describe the content and relative weight of national contributions to DDR programmes. Finally, it will be important to understand the degree to which the international community supports any existing strategic framework through its financing of DDR.
- ❑ *Analysis of the outcome on the ground of these different financing arrangements in terms of the implementation of the DDR program.* For example, were there gaps and/or delays in funding and did this affect the implementation of the program? Was the support offered appropriate to needs on the ground? To what extent is donor assistance for DDR aligned with national needs and priorities and how that was achieved.

Assessment of findings

Drawing on the case study findings as well as broader lessons from other DDR processes, a number of issues will be examined, including:

- ❑ the way in which the DDR process is linked to and supportive of wider initiatives to consolidate the peace and security; ways in which financing and financing instruments can support the integration of political, military and developmental aspects in an overall framework;
- ❑ the extent to which donor policy and programming decisions contribute to the form and outcome of the DDR process, including coordination among donors and alignment with national needs and priorities;
- ❑ how the policies pursued by international actors influence the development and implementation of a strategic DDR framework, including the degree to which this framework is nationally owned; ways in which the appropriate choice and sequencing of financing instruments can strengthen the strategic framework for DDR;

- ❑ outcomes of different DDR financing governance structures, including financial execution by national actors and multilateral modalities, and how their performance might be improved; factors which shape donors' ability to fund DDR processes, including ODA eligibility; prospects for change in definitions of ODA eligibility;
- ❑ assessment of the advantages and disadvantages of the MDTF based on past experiences and problems; possible improvements that could be made;
- ❑ implications for national ownership of DDR processes of the various kinds of financing modalities adopted by the international community;
- ❑ adequacy of resource management, oversight and accountability mechanisms;
- ❑ effective and accountable methods of ensuring timely disbursement of international financing for DDR, and its appropriate sequencing; relevance of the Peace-Building Commission and the Peace Fund to DDR processes, and potential role; prospects of additional funding elements for DDR processes from assessed contributions;
- ❑ how the availability of information affects efforts to implement and evaluate DDR processes and to strengthen cost-effectiveness

Management and reporting

The study is being funded by the Swedish Government. The consultants will report to Ambassador Jan Cedergren, Chair of Working Group 2, and the Swedish MOFA. They will also liaise closely with the World Bank (Bernard Harborne).

Timeframe and outputs

Phase 2 work will be carried out between May and August 2005. A draft report will be submitted to Jan Cedergren for comments by 29 July 2005. Comments will be provided to the consultants within one week. A final draft will be submitted no later than 10 August 2005, and the consultants will present the report at a WG2 meeting to be organized the following week in Stockholm.

The final report will combine the main findings of Phase 1 and Phase 2 work, and policy recommendations. It will include an Executive Summary and List of Acronyms, with relevant supporting data and material included in Annexes as necessary. The length of the final report, excluding Executive Summary and Annexes, will be a maximum of 50 pages.

Objectives of fieldwork in DRC

The key objective of the fieldwork is to gain an understanding of how donors have gone about financing the DDR processes in Congo DR, including the specific challenges faced in terms of harmonizing the contributions of different countries/agencies and aligning these contributions with national needs, priorities and circumstances.

The priorities for the consultants will be to speak to relevant donor and Government actors in DRC.

- Among the first category will include the World Bank, UNDP, MONUC, the EU Security Mission, and key bi-lateral missions in Kinshasa: Belgium, France, UK and US.
- Among the latter will include Ministries of Defence and Interior, the national DDR commission (CONADER), and the Chief of General Staff of the Army.

It would be desirable to visit a number of DDR programmes on the ground. The priority would be the UNDP/WB-funded programme in Ituri and one of the National Program DDR Centers run by the Government, for instance in Muanda. Another option would be the MONUC-supported programme to demobilize the ex-FAR/Interhamwe.

The consultants will face real time constraints (10 days on the ground) which, along with the possibility of political unrest linked to the 29 June anniversary of the Peace Agreement, may severely restrict mobility. In this case, there is a very real possibility that they may not be able to get outside Kinshasa or to see everyone they would like.

To ensure that the consultants achieve as much as possible during their short stay, it will be necessary to receive basic logistics support from one of the donors in DRC to include assistance in organizing travel outside Kinshasa as necessary, communications (mobile phones and meetings). In this regard, it seems particularly important that they have a local 'facilitator' tasked to be with them during their time in Kinshasa to organise movements around town, meetings, etc.

Similar support will also be required in Liberia.

Annex 2. Individuals Interviewed

I. DEMOCRATIC REPUBLIC OF CONGO

Transitional Government of the Democratic Republic of Congo

Juana Brachet, Senior Technical Advisor, CONADER

Dieudonné Essimbo Numayeme Manu, Coordinator, Technical Committee for Oversight of Economic Reforms, Ministry of Finance

Daniel Kawata, General Coordinator, CONADER

Lt Col Deogratias Lukwebo, DDR Adviser, Ministry of Defence

Colonel Mbiato, Head, SMI

David Muhindo Ngwala, Director of Personnel & Finance, CONADER

Umba di Ndelo Bruno, Diplomatic Advisor, Office of the Minister, Ministry of Defence

MDRP partners

Simon Arty, Conflict Adviser, DFID

Sophie Da Camara, Ministry of Foreign Affairs, Belgium

Karl Dhaene, Political Counselor, Embassy of Belgium

Corina van der Laan, First Secretary, Embassy of the Kingdom of the Netherlands

Joakim Löfvendahl, Second Secretary, Embassy of Sweden

Marc Mertillo, Second Secretary, Embassy of France

Magnus Wernstedt, Ambassador, Embassy of Sweden

Other bilateral donors

Nicholas Jenks, Program Officer, USAID/DR Congo

MDRP Secretariat

Sean Bradley, Trust Fund Manager, Washington, DC

Roisin de Burca, Kinshasa

Abderrahim Fraiji, Senior Implementation Specialist, Kinshasa

Adriaan Verheul, Washington, DC

MONUC

Colonel Philippe Barreau, Deputy Director, DDRRR Division, Kinshasa

UNDP

Caroline Schaefer Bronne, Information Expert, Post-Conflict Unit, Kinshasa

Gustavo González, Principal Advisor, Post-Conflict Unit, Kinshasa

Judith Tuluka Suminwa, Program Advisor, Post-Conflict

UNICEF

Trish Hiddleston, Program Administrator, Protection of Vulnerable Groups, Kinshasa

World Bank

John Elder, Task Team Leader, Washington, DC

Bernard Harborne, Senior Conflict Advisor, Africa Division

Other international

Stephen Blight, Program Director, Save the Children (UK)

General Juana, EU-SEC, European Union

Colonel Martinho, EU-SEC, European Union

II. LIBERIA

Bilateral donors

Jean-Pierre Bardoul, Aid Coordinator, Office of the European Commission in Liberia

James Fennell, Regional Conflict Adviser (West Africa), UK Department for International Development

Mimmi Ingestedt, Political Officer, Office of the European Commission in Liberia

David Lelliott, United Kingdom Political Officer, Monrovia

Alfreda Meyers, Political Counselor, United States Embassy, Monrovia

Irina Shoulgin, Counsellor, Embassy of Sweden – Abidjan/Monrovia

Wilbur G. Thomas, Mission Director, USAID/Liberia

Liberian civil society organizations

Ezekiel Pajibo, Executive Director, Center for Democratic Empowerment

Aloyois Toe,

National Transitional Government Liberia

Philip Dwuye, Executive Director, Liberia Repatriation and Resettlement Commission

Christian Herbert, Minister of Planning and Economic Affairs

Dr. Moses C.T. Jarbo, Executive Director, National Commission for Disarmament, Demobilization, Rehabilitation & Reintegration

Regional organizations

H.E. Noumou Diakité, African Union Representative in Liberia

UNICEF

Keith Wright, Senior Programme Officer, Monrovia

UNDP

Charles Achodo, DDDR Program & Policy Advisor, JIU-UNDP Liberia

K.K. Kamaluddeen, Economic Adviser, UNDP-Liberia

Steven Ursino, Country Director, UNDP-Liberia

Sergio Valdini, Head, DEX-Service Center, UNDP-Liberia

United Nations Mission in Liberia

Steinar Bjornsson, Deputy Special Representative of the Secretary-General (Operations)

James Boynton, Special Assistant to the Special Representative of the Secretary-General

Melesse Gebre-Egzi, Chief Finance Officer

Nisar Ahmad Malik, DDDR Officer, DDDR Unit

Abou Moussa, Deputy Special Representative of the Secretary-General (Humanitarian Affairs)

Ottokar Reiseder, Chief Budget Officer

Other International

Mike Curry, Development Alternatives, Inc.

Erika Kirwen, Development Alternatives, Inc.

III. OTHER INTERNATIONAL

DPKO, New York

Kelvin Ong, DDR Policy Adviser, Peacekeeping Best Practices Unit

UNDP, New York

Sam Barnes, Team Leader, Strategic Planning Unit, BCPR

Spyros Demetriou, BCPR

UNICEF, New York

Carole Baudoin, Child Protection Officer, Children in Armed Conflict Programme Division

Manuel Fontaine, Senior Adviser, Child Protection, Children in Armed Conflict Programme Division

Jun Kukita, Programme Funding Officer

Rebecca Symington, Child Protection Officer, Children in Armed Conflict Programme
Division

Annex 3. Relevant Sections of UN Mandates for UNMIL and MONUC

LIBERIA

United Nations, Security Council, S/RES/1509 (2003) 19 September 2003

“3. ... UNMIL shall have the following mandate:

“(c) to assist in the development of cantonment sites and to provide security at these sites; ...

“(f) to develop, as soon as possible, preferably within 30 days of the adoption of this resolution, in cooperation with the JMC, relevant international financial institutions, international development organizations, and donor nations, an action plan for the overall implementation of a disarmament, demobilization, reintegration, and repatriation (DDRR) programme for all armed parties; with particular attention to the special needs of child combatants and women; and addressing the inclusion of non-Liberian combatants;

“(g) to carry out voluntary disarmament and to collect and destroy weapons and ammunition as part of an organized DDRR programme...”

DRC

United Nations, Security Council, S/RES/1291(2000)

“7. ...MONUC, in cooperation with the JMC, shall have the following mandate:

“(c) to develop, within 45 days of adoption of this resolution, an action plan for the overall implementation of the Ceasefire Agreement by all concerned with particular emphasis on the following key objectives: the collection and verification of military information on the parties’ forces, the maintenance of the cessation of hostilities and the disengagement and redeployment of the parties’ forces, the comprehensive disarmament, demobilization, resettlement and reintegration of all members of all armed groups referred to in Annex A, Chapter 9.1 of the Ceasefire Agreement, and the orderly withdrawal of all foreign forces...”

United Nations, Security Council, S/RES/1565(2004):

“5. ...MONUC will also have the following mandate, in support of the Government of National Unity and Transition:

“(c) to support operations to disarm foreign combatants led by the Armed Forces of the Democratic Republic of the Congo, including by undertaking the steps listed in paragraph 75, subparagraphs (b), (c), (d) and (e) of the Secretary-General’s third special report,

“(d) to facilitate the demobilization and voluntary repatriation of the disarmed foreign combatants and their dependants,

“(e) to contribute to the disarmament portion of the national programme of disarmament, demobilization and reintegration (DDR) of Congolese combatants and their dependants, in monitoring the process and providing as appropriate security in some sensitive locations...

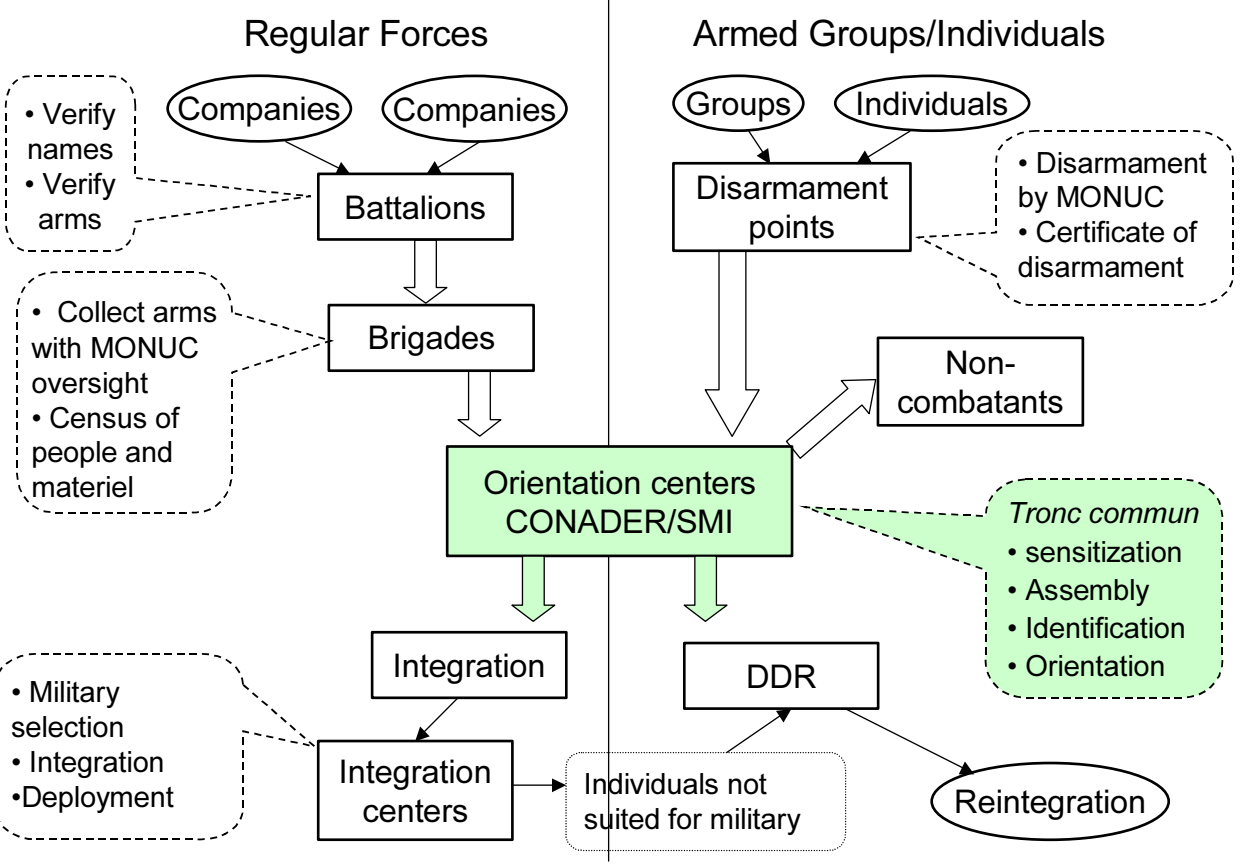
“7. *Decides* that MONUC will also have the mandate, within its capacity and without prejudice to carrying out tasks stipulated in paragraphs 4 and 5 above, to provide advice and assistance to the transitional government and authorities, in accordance with the commitments of the Global and All Inclusive Agreement, including by supporting the three joint commissions outlined in paragraph 62 of the Secretary-General’s third special report, in order to contribute to their efforts, with a view to take forward...

“(b) Security sector reform, including the integration of national defence and internal security forces together with disarmament, demobilization and reintegration...

“10. *Requests* the Secretary-General to ensure that his Special Representatives for the Democratic Republic of the Congo and for Burundi coordinate the activities of MONUC and ONUB, in particular:

“– and by coordinating, as appropriate, implementation of the national programmes for disarmament and demobilization and repatriation, reintegration and resettlement...”

Annex 4. *Tronc commun*



**Annex 5. UNDP DDDR Trust Fund for Liberia: Pledges and Amounts Received
as of 30 June 2005**

S/N	DONOR	DESCRIPTION	CURRENCY	VALUE	EQUIV. US\$	
					Pledged	Received
1	UNDP TRAC 1	Contribution for PA of DDDR	US\$	500,000.00	500,000.00	500,000.00
2	UNDP TRAC 3	Contribution for PA of DDDR	US\$	500,000.00	500,000.00	500,000.00
3	UNDP	Contribution for PA of DDDR	US\$	1,500,000.00	1,500,000.00	1,500,000.00
<i>Sub Total</i>					<i>2,500,000.00</i>	<i>2,500,000.00</i>
4.	UNDP	SADU Contribution for DDDR	US\$	250,000.00	250,000.00	250,000.00
5.	UNDP	SADU Contribution for DDDR	US\$	350,000.00	350,000.00	350,000.00
6.	Swedish 2003	Contribution to the DDDR TF	SEK	4,000,000.00	527,009.42	527,009.42
7.	E Community	Contribution to the DDDR TF	EURO	4,150,000.00	5,128,149.86	5,128,149.86
8.	US Government	Contribution to the DDDR TF	US\$	2,900,000.00	2,900,000.00	2,900,000.00
9.	United Kingdom	Contribution to the DDDR TF	GBP	1,000,000.00	1,865,671.84	1,865,671.84
10.	Norway	Contribution to the DDDR TF	US\$	185,476.03	185,476.03	185,476.03
11.	Switzerland	Contribution to the DDDR TF	CHF	1,000,000.00	797,063.49	797,063.49
12.	Ireland	Contribution to the DDDR TF	EURO	500,000.00	601,684.72	601,684.72
13.	Sweden 2004	Contribution to the DDDR TF	SEK	10,000,000.00	1,347,709.00	1,347,709.00
14.	Denmark	Contribution to the DDDR TF	DKK	20,000,000.00	3,300,000.00	2,388,070.39
15.	E Commission	Contribution to the DDDR TF	EURO	5,000,000.00	6,090,133.98	4,813,477.74
16.	DFID	Contribution to the DDDR TF	GBP	1,967,500.00	3,564,311.59	3,564,311.59
17.	Iceland	Contribution to the DDDR TF	US\$	13,933.40	13,933.40	13,933.40
18.	Sweden 2005	Contribution to the DDDR TF	SEK	25,000,000.00	3,500,000.00	0
19.	Norway	Contribution to the DDDR TF	NOK	6,300,000.00	1,028,319.59	1,028,319.59
20.	Ireland	Contribution to the DDDR TF	EURO	500,000.00	648,508.43	648,508.43
21.	US Government	Contribution to the DDDR TF	US\$	15,000,000.00	15,000,000.00	15,000,000.00
22.	Denmark	Contribution to the DDDR TF	US\$	122,495.41	122,495.41	122,495.41
23	E Commission	Contribution to the DDDR TF	EURO	9,100,000.00	11,400,000.00	0
<i>Sub total</i>					<i>58,620,466.76</i>	<i>41,531,880.91</i>
Grand Total					61,120,766.76	44,031,880.91

Source: UNDP TF Financial Brief Update, June 2005 (#26).

Annex 6. DPKO Working Definitions of DDR Components

The working definitions of disarmament, demobilization, reinsertion and reintegration that are used by DPKO when budgeting for the DDR component of UN peacekeeping missions are as follows:

Disarmament. Disarmament is the collection, documentation, control and disposal of small arms, ammunition, explosives and light and heavy weapons of combatants and often also of the civilian population. Disarmament also includes the development of responsible arms management programmes.

Demobilization. Demobilization is the formal and controlled discharge of active combatants from armed forces or other armed groups. The first stage of demobilization may extend from the processing of individual combatants in temporary centres to the massing of troops in camps designated for this purpose (cantonment sites, encampments, assembly areas or barracks). The second stage of demobilization encompasses the support package provided to the demobilized, which is called reinsertion.

Reinsertion. Reinsertion is the assistance offered to ex-combatants during demobilization but prior to the longer-term process of reintegration. Reinsertion is a form of transitional assistance to help cover the basic needs of excombatants and their families and can include transitional safety allowances, food, clothes, shelter, medical services, short-term education, training, employment and tools. While reintegration is a long-term, continuous social and economic process of development, reinsertion is a short-term material and/or financial assistance to meet immediate needs, and can last up to one year.

Reintegration. Reintegration is the process by which ex-combatants acquire civilian status and gain sustainable employment and income. Reintegration is essentially a social and economic process with an open time frame, primarily taking place in communities at the local level. It is part of the general development of a country and a national responsibility and often necessitates long-term external assistance.

Source: United Nations General Assembly, "Administrative and budgetary aspects of financing of the United Nations peacekeeping operations. Note by the Secretary-General," 59th Session, Fifth Committee, Agenda item 123, A/C.5/59/31, May 24, 2005, para. 1.